

THE SHAPING OF MODERN INDIA



DANIEL THORNER

The Shaping of Modern India

DANIEL THORNER

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PART ONE

**PERSPECTIVES ON INDIAN ECONOMIC AND SOCIAL
HISTORY**

1. The Setting for British Railway Enterprise in India*

India can never again be a great manufacturing country, but by cultivating her connexion with England she may be one of the greatest agricultural nations.

R.M. Grindlay, 1837.

The turning of the first soil for their [railway] construction will be the visible infestment in the East of the civilization of the West.

J.B. Smith, *Railways for Bombay*, 1849.

To merchants and manufacturers of early Victorian Britain, India was an unsatisfactory place. British businessmen could not reconcile themselves to the fact that England's greatest overseas possession took only one-tenth as much per capita of British manufactures as Brazil, which did not even belong to Britain. Lancashire textile interests had another and perhaps equally great grievance. They deplored India's deficiencies as a supplier of raw materials. Lancashire then existed in a state of uneasy dependence upon the slave-owning American South for its chief staple, cotton. Such cotton supplies as came from India were relatively small in quantity and absolutely poor in quality. Leaders of British industry might have adjusted themselves to these unhappy facts if Britain's economy had been stationary or declining. But Britain had just passed through the Industrial Revolution, and production was continuing to expand at an amazing pace. During the first half of the nineteenth century British output of coal tripled, that of iron quintupled, and that of factory-made cotton goods rose fifteen times.

From year to year, therefore, British businessmen demanded more raw materials and sought larger outlets for their finished goods.

*This comprises Chapter 1, "The Setting in Britain and India", in Daniel Thorner's first book, *Investment in Empire: British Railway and Steam Shipping Enterprise in India 1825-1849* (Philadelphia: University of Pennsylvania Press, 1950).

Throughout the century, the best authorities of the day encouraged them to believe that there was no limit to the possible and profitable development of economic relations with India. The days had passed when India was considered an El Dorado, pronounced the *London Times* in 1847; but if there were no diamonds at the ancient mines of Golconda, there was "the worth of a ship-load of diamonds in the Cotton-fields of the Deccan." An article in the *Economist* that same year was more enthusiastic: there was no "tropical" raw material "for the production of which India is not as well, or better adapted than any other country; while its dense and industrious population would seem to offer an illimitable demand for our manufactures." A decade later one of the members of Parliament best informed on India even declared that "India was capable of consuming as much of our manufactures as we now exported to all the world..." The *Economist* matched him in 1859 with the assertion that India possessed "the most extensive undeveloped resources of any country in the world."¹ Such sanguine descriptions of India's immense population and vast undeveloped resources simply made British businessmen appreciate more keenly the tantalizing gap between the potentialities and the actualities of that far-off land.

The first step toward making Indian actuality measure up to its alleged potentialities was the curbing of the East India Company's special prerogatives. In 1813, thanks largely to the pressure of merchants and industrialists whose wealth and political influence had waxed with the Industrial Revolution and with profitable operations during the Napoleonic Wars, Parliament ended the East India Company's monopoly of trade with India. Twenty years later Parliament terminated the East India Company's control over the movements of private British merchants within India, and also ended the Company's last exclusive commercial privilege by canceling its monopoly of British trade with China.

During those twenty years the quantity of British goods exported to India increased sharply. Machine-made British textiles moved into the more accessible markets of India, and virtually wiped out some of the handicraft centres for which India had been famous since remote

¹*Times* (London), June 14, 1847. The *Economist*, August 28, 1847, and March 26, 1859, J.B. Smith, M.P., in Hansard's *Parl. Debates*, 3rd series (June 23, 1857), CXLVI, 266-82. See also : W.P. Andrew, *Indian Railways* (3rd ed. : London, 1848), and H.J. Habakkuk's chapter in Vol. II of the *Cambridge History of the British Empire*, especially pp. 775, 780.

antiquity. But in real value, British trade with India was far from impressive and failed to attain the dimensions expected of it.² To put this trade on a modern footing, British businessmen campaigned for the application to India of two of the principal achievements of the Industrial Revolution – the steamship and the steam railway. Systematic efforts to obtain Government support for steamship lines from Britain to India's chief ports began in the 1820's and reached their climax in the late 1830's.

The principal manifesto of the advocates of steam shipping to India was a remarkable document published early in 1837 by Captain Robert Melville Grindlay, founder of what is today the well-known banking firm of Grindlay and Co. Captain Grindlay was then the foremost spokesman in London of the committees which had been formed in Calcutta and other Indian ports for promoting steam communication with Britain. He appealed to his British compatriots to wake up to the opportunities which lay before them in India. In every age, declared Grindlay, one people had been foremost. The world was changing rapidly, but that truth still held. In their day it was Britain which was foremost and she should be sure to stay there by cultivating her advantages. It might be argued, Grindlay conceded, that British spirit and enterprise were unlikely to neglect suitable resources and advantages. "It is quite true that in general, the people of this country have not been slow, either to discern or to improve the sources of commercial greatness; but it is equally true, that there has been at least one striking exception. India, with its widely extended boundaries, and myriad population, has at no time occupied that place in the public opinion to which it was entitled."

Two conditions, said Grindlay, explained that neglect. One was the "exclusive principle" by which the East India Company had controlled India's trade; the other was the great distance which separated Britain from "the most magnificent of her dependencies." But now the exclusive principle was dead, and steam shipping was ready to overcome the "impediment" of distance. The significance of this was incalculable. Steam would annihilate space and make possible the movement of goods at greatly reduced rates. More important, by providing a steady and certain means of transport, it could bring into

²Albert H. Imlah's article on "Real Values in British Foreign Trade, 1798-1853," underlines the need for caution in making estimates of the actual dimensions of British trade in this period. *Journal of Economic History*, VIII (November, 1948), 133-52.

being "regular and rapid channels" of mercantile correspondence, an indispensable prerequisite for a flourishing trade.

Although Grindlay's major concern was unquestionably commercial, he did not neglect other considerations. Steam communication would enable the parents and relatives of East India Company officials to keep in better touch with their loved ones, many of whom had left home in Britain as "mere boys". Steam and other devices would undoubtedly help in time to raise the level of Indian society and civilization. "National honour" and "patriotism" required Britain to hold on to her Indian possession and improve it. Britain's "national interest" required her to guard India against possible danger, say from Russia, which was accused of desiring to make trouble. "The political safety of India is intimately connected with its commercial prosperity; and consequently with its commercial value to this country."

Grindlay argued that his position was quite consistent "with the received doctrines of political economy." Should India be separated from Britain and then be governed in a wise, free, and enlightened fashion (like the United States after its separation), then India's commercial value would not decline. But no such possibility was visible. If Britain withdrew, then India's "ignorant", "rapacious", and "unprincipled" Princes would return to power; or, alternatively, Russia would expand aggressively southward. In either case, warfare, insecurity, brigandage, and rapine would serve to check commercial enterprise. "Our commerce", concluded Grindlay, "will not survive the destruction of our political power, and Steam Communication will be an important agent in the preservation of the latter." In short, duty, profit, and national interest required Britain to hold on to India. Grindlay's forecast of the economic consequences of continued British power in India was truly remarkable:

The manufactures of England have in some instances superseded those of India. Of the trade which has been attended with such a result, England at least has no right to complain; and though India may have suffered thereby some temporary inconvenience [the Governor-General had reported some years earlier that the bones of the cotton weavers were bleaching the plains of Hindustan – *Author*], she possesses in her internal resources, the means of recovering and of converting the trade with England into a mine of wealth and prosperity. India can never again be a great manufacturing country, but by cultivating her connexion with England she may be one of the greatest agricultural nations. She may furnish the raw commodity, which the local advantages of England enable that nation more beneficially to work up. Here

too, England will gain a double advantage by securing in India, at once a field for raising the raw material, and a market for the consumption of manufactured goods. The Cotton and Silk of India may at some future time afford the principal, perhaps the only supply for our looms. A Continental war would cut off our supplies of Silk from France and Italy, – a war with the United States would shut up the storehouse of our Cotton. These occurrences, it may be said, are not immediately probable, but what prudent man will trust his fortune to mere probability, when he can have comparative certainty? The native merchants concerned in the Silk trade of Calcutta, know the value of the English connection, and are most anxious for the establishment of the only means that can improve it to its full extent. Are the merchants of London, and Liverpool, and Bristol, – are the manufacturers of Manchester, and Macclesfield, and Nottingham, less discerning or less spirited than the natives of Bengal? Are they slower in perceiving an advantage, or less energetic in seeking to realize it? This cannot be believed.³

The campaign for steam shipping to India eventuated at the end of 1840 in an agreement for a regular service to be operated by the P. & O. (Peninsular and Oriental Steam Navigation Company), with the aid of annual subsidies from both the British Government and the East India Company. But half a dozen years elapsed before more than a mere handful of vessels were in regular operation on the P. & O.'s routes. During those years British exports to India leveled off; some commodities occasionally even registered decreases, while in several years the total volume of exports actually declined. A similar process showed itself in British imports from India. Raw cotton imports from Bombay were declared by the *Economist* of August 28, 1847, to have fallen from 88 million pounds in 1844, to 34 million pounds in 1846. In this same issue, the *Economist* recorded the

notorious fact, deducible alike from the tendency which the supply of some of the most important articles of Indian produce show to fall off, and from the stagnant, or rather declining, state of the export of our manufactures to those markets – and, perhaps, still more so, from the extremely unprofitable and unsatisfactory result which has attended both the export and import trade with India for some time past, – that there exist some great and serious impediments to the realisation of the just and fair hopes entertained with regard to our Indian trade.

³Captain Robert Melville Grindlay, *A View of the Present State of the Question as to Steam Communication with India* (London, 1837), pp. 1-4, 23-28, 30-31. Grindlay's arguments were strikingly similar to those used by the mercantilists in the seventeenth and eighteenth centuries about Britain's colonial empire generally. Extracts from his pamphlet were printed in the *Asiatic Journal* (London), January, 1837, Part I, pp. 98-100.

The lamentable state of the economic scene in India was analyzed by British businessmen, publicists, and officials with all the acuity at their command. The central conclusion which they reached was that the low level of Britain's trade with India was directly connected with the lack of good *internal* transport. Ordinary, old-fashioned methods of carrying goods by bullock-cart over miserable roads were so slow and so expensive that British manufactures could reach only a small fraction of India's vast population, then estimated at about 150 millions. The same high costs of transport limited India's exports to only a few commodities. These included indigo from eastern India, which for part of each year could move easily down to Calcutta by river craft, and cotton from western India. The latter was carried to Bombay on the backs of bullocks which trod their slow and costly way over the dirt trails that crossed the ridges of India's western mountains. Along the route, rain occasionally poured down on the bags of cotton which, often as not, had never been properly cleaned. By the time it reached Bombay for shipment to England, the product was in a very sorry state. At the great Liverpool exchange, Indian cotton was not a preferred product: its high cost of transport necessarily kept its price up, even though in quality it was much inferior to the longer-stapled varieties from the United States.

The outcome of this analysis was a realization that steam shipping, while beginning to tie England and India closer together, furnished in itself no guarantee that British goods could actually penetrate on a large scale into the interior, or that Indian raw materials could be brought down to the coast. The logical step forward was to cover India with a network of railways. Just as steam shipping had been the focus of discussion in the 1830's, so at the chief British mercantile houses concerned with India the outstanding question in the 1840's was railways.

Writing in 1848 on India's need for railways, a leading British merchant pointed to a sharp contrast between India and the countries of Europe and America. In the latter, railways had *added* to such existing facilities as roads and navigable rivers. India unfortunately had an almost complete lack of proper transport facilities; the country as a whole was without good roads. A means of conveyance like railways – quicker, cheaper, and surer than pack animals or clumsy carts – was in India “indispensable, not to the *improvement*, but to the *establishment* of commercial and industrial enterprise. . . .” Without transport, civilization was “stationary” and education could

not spread. "The door is closed which might admit private capital, and a vast empire containing the most useful and various productions, most of them susceptible of indefinite increase, is available neither as a market to sell or to buy."⁴

A field report by Colonel W.H. Sykes – who was later to become Chairman of the East India Company's Court of Directors and one of its foremost defenders in Parliament – produced some interesting conclusions about the relation between poverty and transport in the cotton country one hundred miles inland from Bombay. The poverty of the people there, declared Colonel Sykes, "is not the poverty of want: every cultivator throughout the country has a superfluity of the mere requisites for the support of animal life. This poverty is pecuniary poverty, and it bears heavily on him in the relation in which he stands to the Government and his creditors. He cannot convert a sufficiency of grain into money to pay his taxes to the former, nor to fulfil even in part his engagements to the latter." Colonel Sykes' remarks were cited prominently in 1844 in the first prospectus for Indian railways submitted in London to the East India Company. In commenting upon Sykes' report, John Chapman, the outstanding pioneer of railways in western India and author of the prospectus, observed: "A clearer case of poverty arising from want of roads, and of a country ready to spring into prosperity on the making of them cannot exist."⁵

Hyde Clarke, perhaps the most penetrating railway economist of the day, was more concerned with capitalizing on India's poverty than with analyzing it. "Paradoxical as it may sound", he wrote in 1845, "the very poverty and misery of the inhabitants of India, rightly considered, in connexion with the acknowledged capabilities of the soil, is rather a matter of encouragement than otherwise, to speculations of useful enterprise." The speculator had the surest prospect of "a large eventual gain" from the development of the resources of "virgin soil" [sic]. Clarke admitted that there were well-

⁴*A Letter to Lord John Russell on the Subject of Indian Railways*, by "An East India Merchant" (London, 1848), pp. 113-14

⁵Draft Prospectus of the Great Indian Railway, with notes by John Chapman, October, 1844, citing a "Second Report" by Col. W.H. Sykes. *Railway Home Correspondence*, Series "A", Vol. I, No. 1. These are manuscript records which formerly were in the collections of the India Office, London. With the ending of that office on August 15, 1947, custody of the records passed to the Commonwealth Relations Office.

founded complaints about British economic policies in India, which drew onerous land revenues from the people and virtually "compelled" them to buy British goods. But he was not interested in dilating on them. After all, the wretchedness of the Indians could not continue long,

when improved facilities of communication have brought these benighted people and their ways under the observation and influence of the civilized world. . . any measures which would promote the sale and transmission of the raw products, particularly the staples of wool, silk, dyes, rice, sugar, etc., to the steam manufactories of England, would at once improve the condition of the country in the most legitimate way, namely, by encouraging to the fullest extent the cultivation of the soil, now so direfully neglected. Once this was accomplished, it would be no hardship to the Hindoos to be 'compelled' to receive their cottons in a manufactured shape, at a less exchangeable cost of labour than they could make them at themselves; and the land revenue would become lighter to the payer as a natural consequence.⁶

The influential merchants in Britain and India who initiated and supported the drive in the 1840's for the introduction of railways in India knew from previous experience that it would be a major task to enlist the aid and support of the East India Company. They were aware that the dominant interests in the venerable old Company had bitterly resented the elimination of their commercial privileges by Parliament in 1813 and 1833; and that those interests were suspicious of all further changes and innovations, lest they bring about the downfall of the Company itself. The railway promoters therefore strove to convince the heads of the East India Company that railways would reduce the Company's expenses in India and strengthen its political and military power. Thus at the time of the East India Company's humiliating disaster in Afghanistan in 1842, and during the bitterly fought wars with the Sikhs in the late 1840's, the railway backers stressed the services which railways would have been able to render, had they been available.⁷

Hyde Clarke, the talented railway economist, cleverly argued with the East India Company in 1845 that it was no misplaced philanthropy which dictated the need for railways, but practical

⁶Hyde Clarke's series on "Railways in India", 3rd article, *Railway Register* (London, September, 1845), II, pp. 178, 181-82.

⁷See the testimony given in 1858 by Juland Danvers and Sir James Melvill before the Select Committee on East India (Railways). *Parl. Papers*, House of Commons, 1857-58, XIV, pp. 77-80, 226, 261, 267, 3847-49. Cf. *Herapath's Railway Journal*, VII (April 5, 1845), 493.

political wisdom. Just as the Romans had built roads, so latterly the Russian Tsar, "with no love for civilization, has found it necessary to adopt the formation of railways in his vast and benighted territories. . . ." The Tsar had acted, "not with any consideration for the personal comfort of his subjects, but as a necessary means of strengthening and extending his rule." Similarly, the East India Company and its officials constituting the Government of India should consider "what would best give unity and strength to their vast empire, promptness and certainty in the execution of the orders of the ruling power. . . ." The political need for railways was apparent, Clarke argued, but had the East India Company comprehended this?

Upon looking at the social condition of the wretched inhabitants of the East, however, we feel bound to say that they do not appear to have gained more in this behalf by their subjection to British rule, than the hordes of the Steppes have under the benign influence of the Russian eagle; – whilst in these respects both fall immeasurably behind the examples of Roman colonization. It is not, therefore, with any hope of inspiring the company of British merchants trading to India with an expensive sympathy for the social and moral advancement of their millions of native subjects that we urge the formation of a well-considered means of railway communication, – but as a necessary means of giving strength, efficiency, and compactness to their political rule in those territories.⁸

Returning to the same subject a little later in 1845, Clarke summed up his views from a somewhat different angle, but in the most authentic early Victorian terms. Self-interest, he asserted, was the mainspring of all things in the world. There was "no instance upon record of civilized governments taking the initiative in any grand scheme for the amelioration of the condition of a barbarous people, for the mere sake of doing good." It was commerce which "in all times has been the precursor of civilization." Clarke added in 1846 that "no careful thinker can avoid coming to the conclusion, that the excitement of railway construction in India will, of itself, cause an increased demand for English goods, so that at each step one operation will be found harmonising and cooperating with another, like a well planned and highly finished train of wheelwork." In short, as Clarke candidly remarked, "the real operation, after all, is to make

⁸*Railway Register*, II. (July, 1845), 3-5. See a similar argument in William Patrick Andrew's *Indian Railways* (1st ed.: London, 1846), p. 8.

the Hindoos form the railways, and enable us to reap a large portion of the profits.”⁹

In many senses the decisive influence in setting the pattern for the development of railways in India was Britain's previous experience with railways at home. By the time the first contracts for building lines in India were signed in 1849, Great Britain already had a quarter of a century of railway history behind it. During those twenty-five years many of the central railway questions of modern times had emerged as public issues. These included the problem of wise choice of trunk routes to constitute a sound framework for a national network; the control of railway finance, rates, and fares; and the prevention of monopolistic practices. By the 1840's it was clear that the railways, whatever their ownership, were quasi-public enterprises and would have to be placed under some kind of state control. But violent debate raged over the form which this regulation should take. These policy debates were in the forefront of the minds of those concerned in the 1840's with railways for India. The proponents of strict governmental control of railways were particularly anxious to spare India the malpractices and abuses which had characterized the first quarter of a century of railways in Britain. Before turning to the Indian story, it is, therefore, essential to review the course of Britain's own railway development.

The beginnings of railways in Britain date from the decade after the defeat of Napoleon in 1815. The rapid expansion of British industry and commerce in those years brought with it transport needs which the existing canals and roads could not satisfy. The enormous profits of the canal companies in this period helped to attract the interest of ambitious businessmen to the transport field and furnished an inducement to investors to entrust railway promoters with their funds.

In broad outline Britain's railway development took place in three

⁹Hyde Clarke, "Railways in India," *Railway Register*, II (September, 1845), 182; and his *Practical and Theoretical Considerations on the Management of Railways in India* (London, 1846), p. 4. In citing the latter passage, Leland Jenks points out that Clarke expected railways eventually to raise India's wealth and capabilities "enormously above" mid-nineteenth century standards. That this actually happened, Jenks observes, is hard to see; for the first three-quarters of a century, at least, the railways destroyed more occupational opportunities than they opened. Jenks, *Migration of British Capital to 1875* (New York, 1927), pp. 226-27; and his important article on "British Experience with Foreign Investments," *Journal of Economic History*, Supplement IV (December, 1944), p. 75 and *passim*.

separate spurts, each a decade apart. A flurry of promotion and construction in the middle 1820's was repeated on a larger scale in the middle 1830's, and climaxed by a veritable railway mania in the middle 1840's. The first phase was part of the short-lived "wave of business elation" that swept England in 1824-25 and collapsed early in 1826. Of the railway companies which were started in these years, the Stockton and Darlington, and, a bit later, the Liverpool and Manchester, proved to be substantial enterprises and survived. Most of the others were floated for speculative purposes, the promoters endeavoring to pump up the price of the stock, and then dumping their shares at a profit. The small dimensions of this first phase of railway building are indicated by the fact that during it only a few hundred miles of railways were put into operation.¹⁰

The burst of railway activity in the 1830's was a much more formidable affair. The capital accumulations which could be tapped by skilful railway promoters were much greater than in the previous decade. An indication of the availability of capital is the fact that in the early 1830's more than £160 million of Government securities were converted from 4 per cent to 3½ per cent. By 1835, new textile mills, banks, and steamship companies served to absorb part of the new capital formations. About one hundred railway projects were presented to the public in the years 1835 to 1837. Although some of these were genuine enterprises, the great bulk were speculative schemes similar to those of the 1820's. The outcome of this second railway orgy was an addition of about fourteen hundred miles to the railway network of Britain. The actual construction of these lines absorbed capital for half a dozen years. By 1844, some two thousand miles of railway were in operation.

The profits of the existing lines, considered as a whole, were scarcely high enough to generate the colossal railway mania from 1844 to 1847. The shares of a great many railways, at the beginning of 1844, were not even selling at par. About a dozen railway companies,

¹⁰The remarks on British railways in this and succeeding paragraphs are based on W.T. Jackman, *Development of Transportation in Modern England* (Cambridge, 1916), Vol. II; L.H. Jenks, *Migration of British Capital to 1875* (New York, 1927), chs. ii-v; J.H. Clapham, *Economic History of Modern Britain* (Cambridge, 1930), Vol. I, ch. ix; W.W. Rostow, *British Economy in the Nineteenth Century* (Oxford, 1948); F.E. Hyde, *Mr. Gladstone at the Board of Trade* (London, 1934). The epithet "mania" was, of course, the name given by contemporaries to the extraordinary preoccupation of the British business public with railways from 1844 to 1847.

however, had kept on paying dividends of 6 and 7 per cent right through the business depression of the late thirties and early forties, and a few had even paid steadily as much as 10 per cent. Meanwhile, capital was accumulating at a rate which dwarfed that of the 1830's. A surplus of some £60 million of British capital, according to Jenks, entered the market each year seeking investment. In 1843 there was said to be £20 million to £25 million of capital lying idle in the City east of Temple Bar (the financial district of London). In those same years the commercial rate of discount dropped to $2\frac{1}{2}$ per cent. There was no difficulty in 1844 in converting £250 million of Government stock from $3\frac{1}{2}$ per cent of $3\frac{1}{2}$ per cent; and in that year the 3 per cents touched par for the first time in almost a century.

With holders of funds seeking anxiously for investment possibilities, and with the main skeleton of the British railway network not yet articulated, there occurred a most striking conjunction of capital and opportunity. The last and greatest of the British railway manias burst forth. Within a few months in 1844 lines had been projected involving an aggregate paper capital reaching the unbelievable sum of £563,203,000. All levels of society from the ranking peers down through the lower middle classes were soon infected. The belief that there was no limit to the profits to be made from railways was encouraged by the *Railway Times* and by the *Economist*. One of the few papers which, from the beginning, warned that the mania would lead to disaster was the *London Times*. People with capital to invest paid no heed to these warnings. In the competition for the funds of the excited investing public, sharp practices became commonplace. Promoters put down the names of prominent personages as backers of new lines, whether or not the individuals listed had ever heard of the new projects. Members of Parliament were bribed in a number of ways to speed legislation authorizing particular schemes. New companies were milked by promoters and directors, who concealed their operations by issuing false financial statements or paying dividends not out of earnings but out of capital. Promoters undertook any kind of scheme that would catch the public eye. Lines were not planned with any kind of overall network in mind, but simply begun in helter-skelter fashion. Promoters did not necessarily lay out the best routes between towns, nor did they always refrain from duplicating or even triplicating existing lines or schemes.

The great dimensions of the railway mania of 1844-47 stand out in the following figures; out of the myriad of projects spawned in those

years, Parliament passed acts authorizing some six hundred new schemes (or extensions of old ones). The proponents of these were authorized to raise £250 million of capital, of which they had obtained about three-fifths by 1849. The number of miles in operation rose from two thousand in 1844 to more than five thousand in 1849, by which time the basic lines of present-day Britain had been laid down.

In their early years the railways were virtually unregulated by the Government and allowed to develop in their own haphazard, frenzied pattern. By "private" acts of Parliament, the railways were granted corporation rights similar to those for turnpikes and canals. In these acts of incorporation the railways were authorized to raise capital for specific projects and empowered to compel private persons to sell landed property needed for the railways' right-of-way. The only significant restriction placed on the railways was one limiting annual dividends to 10 per cent, and even that was imposed on only one line, the Liverpool and Manchester. When critics began to argue in 1836 that the railways were really monopolies and should be controlled by the state, the railway interests reacted indignantly. "The companies," in Clapham's words, "forgetful of the very great interference with property from which they sprang, became very sensitive about proprietary rights." Suggestions that the Government limit or revise railway rates were termed "a very extraordinary interference with property."

In 1839-40 a Parliamentary committee undertook a general review of railway affairs; its positive recommendations dealt primarily with the prevention of accidents. Its work did lead, however, to the setting up of a Railway Department at the Board of Trade, and that Department exercised a measure of control over railway construction. As the greatest of the railway manias was getting under way in 1844, the President of the Board of Trade was none other than William Ewart Gladstone, then a rising young Tory. Spurred on by the flood of railway projects then being presented to Parliament, Gladstone made a most determined effort to set up a system of broad state control of railways and railway finance. Gladstone himself sat as chairman of a new Parliamentary committee which called before it the outstanding railway promoters and directors of the day. These witnesses conceded that each railway was a monopoly in its own sphere and that competition among railways could not be relied on to prevent monopolistic abuses. Practically all of the witnesses supported an increase in the power of the state over the railways. George Carr

Glyn, the greatest of the bankers for the railways, even declared that, if a new start were being made, he would be in favor of a state system.¹¹

Gladstone thereupon introduced into Parliament in June, 1844, a bill for the comprehensive regulation of all new railways (i.e., railways not yet chartered by Parliament). Its clauses would have given the Government the power either to buy up any new railway fifteen years after it had been chartered, or to alter the rates and fares of such railways which had earned 10 per cent for three consecutive years. In the latter cases, the Government was to be given authority to exert a strict and continuing control over profitable lines. All the resources of the private railway interests were mobilized against Gladstone's bill. Glyn and others now denied that railways were inherently monopolies or that railway conditions required control by the Government. Railway shares, they argued, were private property, and centralized control by the state over railways was "un-English." The *laissez faire* position of the railway interests was endorsed and strongly backed by the *Economist*, and by Cobden, Bright, and other members of the "Manchester School." The railway interests made it plain to the Cabinet, headed by Sir Robert Peel, that they were prepared to provoke a Parliamentary crisis over the bill. To avoid this, the Cabinet, presumably in the person of Peel himself, put pressure on Gladstone, and the latter had to yield. All the key financial clauses in Gladstone's bill were so weakened in the course of passage through Parliament that the law as enacted was, in Clapham's term, a mere "fatuity."¹²

Gladstone was much discouraged by his defeat and because of this and other important differences with the Cabinet, he resigned his office early in 1845. Headship of the Railway Department of the Board of Trade passed that year to Lord Dalhousie, the future Governor-General of India. Like Gladstone, Dalhousie struggled long and hard in 1845-46 to impose a significant degree of state control over Britain's chaotic railway system. But the opposition of the railway interests and their allies was too much for him. Another railway act passed by Parliament in 1846 was as devoid of content as its predecessor of 1844. The railways remained virtually uncontrolled

¹¹Clapham, *Economic History of Modern Britain*, I, 418.

¹²A possible exception to this was the clause providing for the right of the state to purchase new railways; as enacted, the state was empowered to do this after a period of twenty-one years from the date of charter of the railway.

right through the mania of 1844-47 and into the great commercial crash of 1847-48.

Although the Cabinet could not carry out its plans to regulate railways at home, it was in a stronger position to enforce its will regarding railway affairs in Britain's greatest possession, India. All that promoters of domestic railways needed from the Government was the passage of an act of incorporation by Parliament for their particular project; and the promoters of British railways were directly and indirectly well represented in the Parliaments of the 1840's. By contrast, promoters of railways for India had a much more difficult task. They had not only to obtain a Parliamentary act of incorporation, but they also had to negotiate a contract governing their relations with the East India Company, the semi-public body which administered India. Further, both of these steps had to proceed concurrently to be effective, and in both of them promoters of Indian railways were, in the final analysis, at the mercy of the Cabinet in office. The interests presenting Indian railway bills in Parliament were much weaker than those sponsoring domestic British projects and their proposals could much more easily be blocked or killed there by the Cabinet. In their dealings with the East India Company, the promoters of Indian railways were not facing an autonomous body, but rather one which could not take a major decision without the approval of a committee appointed by the British Cabinet. This committee was known as the Board of Control, and its President was a member of the British Cabinet.

Despite their seemingly weak position the promoters of railways for India early set their sights very high. They sought to persuade the East India Company to grant them railway contract terms equal, or superior, to the best obtained up to the 1840's by railway companies in western Europe, Britain, or America. In particular, they strove to make the East India Company underwrite their projects by guaranteeing them an annual dividend – that is, if the proposed railways did not earn enough in a given year to pay a dividend, then money for the purpose would have to be given to the railways out of the public revenues drawn by the East India Company from the people of India. The leading promoters of railways for India presented their demands with a boldness and self-confidence which the circumstances of their position certainly did not seem to warrant. The promoters, however, had one great trump card: the undeniable need of the British economy in the 1840's for a speedy development of India as a source of raw

materials and a market for finished goods. This card the promoters played for all it was worth. The course and the outcome of their campaign for railways upon their own terms form the central theme of this book.

2. The Shaping of Modern India*

The dominant influence in the shaping of modern India† has been its connection with Britain. The British empire in India began right after 1750 and lasted a little less than two hundred years, thus enduring exactly as long as the Mughal regime which preceded it. Unlike the Mughals the British never settled down in India. To them home was always 5000 miles away in Britain from which left successive batches of green young officials and to which they retired as old and sun-baked veterans. In all the history of empire there is no parallel to the rule of so populous a land for so long a period by aliens from a tiny island so far away.

During most of the period of British rule in India, Britain was the leading economic and industrial power in the world. Her great advantage in technique and resources made her the strongest nation of the day. As the possessor of the world's premier navy and merchant marine, Britain had instruments through which she could transmit her power to India and make it felt. British officials and soldiers in far-off India acted with an assurance and masterfulness rooted in the material superiority of their home country over any of its rivals or possessions.

The first Britons to appear in India were chiefly traders from Elizabethan England. They bore letters from the Queen praying the renowned Mughal Emperor, Akbar, to let them remain in India and do business. Those were the days of the great overseas expansion of Europe in the sixteenth and seventeenth centuries. Merchants of Portugal, the Netherlands, France, and Britain all plotted and fought to get control of the lucrative trade of Europe with the East. The Dutch were the most successful. They gained a monopoly of the handling of spices from the islands of the East Indies, on which the

*Original version of a manuscript by Daniel Thorner published in abbreviated form as part of the chapter by Daniel and Alice Thorner in *Most of the World*, a symposium edited by Ralph Linton (New York: Columbia University Press, 1950).

†As this essay is concerned primarily with institutions and developments up to August 15, 1947, the term "India" is used to refer to the entire country before its division on that date into the Dominions of India and Pakistan.

highest profits were made. Excluded from the islands, British merchants made the most they could out of the mainland of India. The instrument through which they operated was the East India Company, which had first been chartered in 1600 by Queen Elizabeth.

The Company had a difficult time holding on to its monopoly in the turbulent days of the Puritan Revolution (1640-1660). After the Glorious Revolution of 1688, its privileges were taken away and conferred upon a competitor. But the old company managed to survive by joining with its chief rival at the opening of the eighteenth century, at which time Parliament reaffirmed the united Company's monopoly of trade between Britain and India. In exploiting that monopoly the Company developed further the system of commercial factors (agents) and fortified trading posts which it had established in the seventeenth century. More important, the Company was now able to expand from a mere trading enterprise to an imperial power controlling territory and revenue. Aspirations in this direction had already been voiced in the seventeenth century, but the first suitable opportunity to satisfy them came towards the middle of the following century. By then the Mughal Empire centered at Delhi had collapsed, and no Indian group had shown itself strong enough to replace the Mughals. The British took advantage of the disorganized conditions that prevailed to make themselves masters of eastern India, including the rich provinces of Bengal, Bihar, and Orissa. Similarly, they acquired control of the key southern city of Madras and the coastal areas to the south of it. In both of these regions they inflicted military defeats upon their only serious European rival, the French, who also had aspired to territorial control of India.

I. THE RULERS AND THE UNRULY

The first century of British power in India – from Clive's victory at Plassey in 1757 to the Rebellion of 1857 – saw the defeat of every Indian power or prince who would not bow to British rule. Three-fifths of India was taken over, divided into provinces, and ruled directly by British officials – this area was generally called "British India." The remaining two-fifths of the country was left in the hands of Indian potentates on condition that they acknowledge their submission to the "Paramount Power" of the British and consent to varying degrees of control or interference. A few of these princes came from old families but most of them were of quite recent vintage, a goodly number having consolidated their position by aiding the British in subduing the more recalcitrant houses.

Rather slowly the British in the first few decades of the nineteenth century took a number of steps toward the modernization of India. Slavery, infanticide, and widow-burning (*sati*) were outlawed. Modern postal service, a free press, and a system of western education were introduced. Indian reformers like the distinguished scholar and publicist Ram Mohan Roy and the great merchant Dwarkanath Tagore welcomed these measures and founded societies to organize popular support for them. Along with the opening up of the Indian economy in the 1840's and 1850's through railways, telegraphs, and steamships, the process of social and political change was greatly accelerated. One princely house after another was pushed aside and its territories absorbed into British India. Land settlements rode roughshod over the claims of conservative upper classes and dealt directly with the peasantry. Unlike the urban merchants and educated middle class, the older aristocracy resented British reforms and innovations. By the middle of the century they felt that their very existence was menaced, and more and more came to believe that the only way to preserve themselves was by driving the British out of India. In 1857 the drain of British troops from India for expeditions to Persia and China convinced them that a favorable moment had arrived. When mutiny broke out in the ranks of the East India Company's army over the issue of the famous greased cartridges, the dispossessed princes and by-passed nobility and former tax-farmers joined with the

rebellious sepoys and called upon the people in city and country for support. The surprised, frightened, and infuriated British struck back with all the force they could muster, but it took them more than a year to crush the revolt. During the hostilities rulers and ruled gave little quarter to each other.

STRUCTURE OF AUTHORITY

After the suppression of the Rebellion of 1857 Parliament ended the power of the old East India Company and vested complete control over India in a newly created department of the government of Great Britain called the India Office. At its head was the Secretary of State for India, a full-fledged member of the British Cabinet. As Secretaries came and went with the turn of political tides in Britain, the substance of power was in practice exercised largely by the seasoned advisers and permanent staff of the India Office, whose initial personnel had been taken over largely from the old East India Company. Typically the Secretary was a man who had never set foot in India.

Within India the peak of authority was the Governor-General who after 1858 was also the viceroy or representative of the Crown. Prior to the Rebellion the Governor-General exercised a sweeping measure of power. The strength and duration of the Rebellion, however, was widely attributed to the looseness of the control from Britain over India. Under the Secretary of State after 1858 a passion for directing the affairs of India from London manifested itself so strongly that it was termed a veritable "lust of centralization." Throughout the period since 1858 successive Governor-Generals have waged a losing battle against the tendency for policy questions and other basic decisions to be made in London rather than India. Steamship, telegraph, radio, and airplane have all combined to make the authorities in the field ever more subordinate to the hub of Empire, London.

The Governor-General had the prime responsibility of deciding how the policies set by London could best be carried out under the conditions existing in India. Successive Governor-Generals frequently tried to prevent the common practice of British Cabinets balancing the U.K. budget by transferring to the finances of India military and other burdens which were primarily of imperial rather than Indian origin. Under the Governor-General came the chief departments of the central Government of India, the heads of which were appointed by the Crown and sat together with the Governor-General to form the

supreme executive body of the Government of India.

Below the central government came the half dozen odd provinces into which British India had been divided for purposes of imperial administration. The curious boundaries separating provinces like Madras from Bombay, for example, or the Central Provinces from the United Provinces, reflected the uneven course of imperial conquest rather than any genuine ethnic or historic divisions. For the bulk of British India, in fact, the provinces were little more than convenient clusters in which were grouped the 250 basic units of administration, the districts. The crucial importance of the district and of the officer in charge of it has been the fact that it was only at this level of authority that the ordinary Indian came into contact with and felt the direct power of the British raj. The District Officer – whether officially known as “Collector” or “District Magistrate” or “Deputy Commissioner” – was all-powerful in his domain; as the embodiment of empire he maintained the “traditions of autocratic, personal rule” established during the period of British subjugation of India. He set and collected taxes, caught and tried offenders against the law, and did everything else that could be expected of a general factotum. The typical area over which he held sway was larger than Rhode Island but smaller than Massachusetts, with a population on the order of one million.

The several levels of administration in India were cemented together by the Indian Civil Service (the redoubtable I.C.S.) which provided the *corps* of highest permanent officials in the central government, the provinces, and the districts. Throughout the period from the Rebellion to the War of 1914-18 the I.C.S. (and the top layers of related public services in India) was staffed almost exclusively by Britons, many of them sons and grandsons of former Company officials. Nor was the work of the I.C.S. confined to India, for upon retirement and return to their native country senior I.C.S. officers were often given key posts in the India Office in London, thereby contributing a measure of continuity in personnel and policy.

THE POLICY OF COMPARTMENTS

While the imperial administrative framework was being tightened and revamped after the Rebellion, even more fundamental changes were taking place in imperial *social* policy. Despite the success of British arms in putting down the Rebellion, both Conservative and Liberal

party leaders of Britain realized that India could not be held by the sword alone. It was essential to find and cultivate within Indian society groups or classes who could serve as "steadfast friends and supporters" of British rule. After reflection upon the character of the Rebellion, especially in its chief center, the region of Oudh in the heart of the Ganges Valley, British statesmen rejected a policy of relying upon and seeking direct support among the great mass of the people, the peasantry. One scant year before the Rebellion, the local dynastic ruler of Oudh had been deposed and his lands annexed by the British. A land revenue settlement had speedily been made, in which the rights of the oppressed peasants had been heavily favored, while the claims of tax-collectors, local chiefs, and other would-be landlords had largely been ignored or rejected. The level of rents collected for the new British administration, however, was substantially increased. When the Rebellion of 1857 broke out, the discontented chieftains of Oudh threw themselves behind it ardently and were one of its principal sources of strength. To the dismay of the British, who, after uprooting the Oudh aristocracy, had hoped to be regarded as popular benefactors, the peasantry of Oudh followed the lead of their displaced masters and took sides with the rebels.

From this behavior the architects of imperial policy concluded that the people of Oudh and other provinces were deeply attached to their former masters and lacked the "independence of mind" to back the British against them. For the preservation of the empire it was held to be "of greater consequence to secure the aid of the landed interest than even to deserve the gratitude of the masses of the people." If the upper classes were conciliated, the poor peasantry would not initiate a revolt. Acting upon this conviction, the Government of India speedily restored the landed gentry of Oudh to their former station and confirmed their prerogatives. In the style of English country squires they were appointed magistrates, and Government officers were instructed to treat them courteously and to look upon them as "gentlemen of property and station, whose interests are identified with those of the Government, who are its natural born adherents, not opponents. . . ."

Throughout the rest of British India steps were taken to placate and reassure the landed gentry and other privileged orders of society. Ranking government officials advised them of the high esteem in which they were held, and, as in Oudh, their advice and aid were sought in the tasks of local administration. In contrast to the

uncertainties of the pre-Rebellion period, their traditional position and income in the countryside were now confirmed, thereby giving them, in the words of *The Economist*, "the one thing which no native Government ever gave, or would give, to a rich class – pecuniary security."

So far as the princes were concerned, post-Rebellion policy was replete with benefits. Leading imperial authorities on India acknowledged that but for the fidelity of such states as Hyderabad, Gwalior and those of the northwest the Rebellion might have engulfed the entire country and swept away the British raj. The loyal princes were rewarded by Queen Victoria with a solemn proclamation of respect for "the Rights, Dignity, and Honour of Native Princes..." and a simultaneous repudiation of the policy under which Governor-General Dalhousie had taken over in 1848-1856 the territories of one principedom after another. Henceforth the princes were hailed as sources of strength and not of danger to the British. They were praised as a "safety-valve" for exuberant and unemployed "native energy" and termed valuable as a "breakwater to disaffection and mutiny." The climax of the post-Rebellion policy toward the princes was reached in 1881, when the fertile and populous state of Mysore in southern India, after 50 years of administration by British authorities, was given back to its long-dispossessed ruling family under conditions amounting to the creation of a new state.

In a related phase of post-Rebellion policy the British abandoned their role as social reformers. They were keenly aware of the fact that their earlier campaign against such backward practices as widow-burning had alienated conservative elements in Indian society. In an effort to bind more closely to the empire the conservative upper classes who embodied and benefited from social and religious orthodoxy, Britain promised respect and protection to all religious faiths and observances. This pledge no doubt was intended also to reinforce previous announcements that Britain would not repeat its blunder of issuing to Indian soldiers cartridges "polluted" with animal fat – the famous "greased cartridges" which had figured so prominently as a short-range factor in precipitating the revolt.

Post-Rebellion army measures frankly took as their point of departure communal divisions and regional antagonisms. As the Army was the ultimate safeguard of British power, military policy was a subject of cardinal importance, and the leading authorities pooled their wisdom to devise measures to guard against the recurrence of

rebellion. In analyzing earlier British policy, they concluded that sufficient precautions had not been taken by the East India Company to prevent the growth of fellowship, brotherhood, and common national sentiment among the different Indian elements in the old Army. Under the Company, various elements had been mixed together rather heterogeneously, and "their corners and angles and feelings and prejudices" tended to get rubbed off, thereby leading toward assimilation and united political activity. To guard against such developments in the future, a guiding principle of multiple segregation, communal and territorial, was recommended and adopted. Hindus, Muslims, and Sikhs were to be kept apart and not allowed to serve in the same companies. Furthermore, even members of the same community were to be allowed to serve only in units of the same territorial origin. In short, Sikhs and Muslims from the Punjab could not join the same company, nor could Muslims from the Punjab serve in the same troop with their co-religionists from Oudh. The clearest statement of this basic principle of British military policy in India was given in 1859 by the well-known administrator, Lord Elphinstone:

The safety of the great iron steamers which are adding so much to our military power and which are probably destined to add still more to our commercial superiority, is greatly increased by building them in compartments. I would ensure the safety of our Indian Empire by constituting our native army on the same principle; for this purpose I would avail myself of those divisions of race and language which we find to hand.

FOUNDING OF THE INDIAN NATIONAL CONGRESS

The modern "opening-up" of India took place in the quarter of a century after 1850, and was the work of the railways, steamers, and the Suez Canal (completed in 1869). They linked India's economy to the European and world markets, thereby tying and exposing it to the business cycles which have periodically crippled modern capitalism. The narrow and largely self-sufficient economy of India's villages was cracked wide open, as increasing numbers of the peasantry became dependent for their livelihood on world cotton prices set on the Liverpool Exchange and wheat prices in the Chicago "pit." The peasantry learned the meaning of dependence on the international market in the 1870's, when the world depression of that decade slashed their income and left them at the mercy of moneylenders and

Government tax-collectors. Simultaneously, successive droughts ruined crops over much of the land and brought years of widespread and repeated famine, with a death toll of many millions. Despite heavy repression, popular unrest spread in town and country, driving vigilant British officials to fear of a new and formidable national revolt.

While opening India up and expanding her trade, the railways and steamers broke down provincial barriers and brought together on a countrywide basis the mercantile and legal communities of India's leading cities. Under the new conditions the business activity and wealth of these groups grew rapidly and from them came the bulk of India's top layer of educated and respectable citizens. They were disturbed over India's sufferings which they attributed largely to autocratic and unbending rule, carried out by a bureaucracy which neither had nor desired any regular means of consulting Indian opinion. While loyal to the British Government, they began to seek a political status more compatible with the traditions and honor of their ancient country. For some time various local and regional organizations formed by these groups had petitioned for such modest reforms as the appointment of Indians to responsible public offices and constitutional measures leading towards representative government. As popular unrest spread and deepened, important Government officials urged these local organizations to join into one body and guide public feeling along peaceful constitutional lines. Privately blessed by the Viceroy, and publicly guided by Allan Octavian Hume, an Englishman recently retired from the I.C.S., these groups united at Christmas, 1885, to form the celebrated Indian National Congress.

The new organization caught on rapidly, and its provincial branches soon covered all of British India. Some of its early sessions attracted more than a thousand delegates, including Hindus, Muslims, Sikhs, Parsis, and a sprinkling of British merchants and retired officials. It put forward a program of mild administrative reforms which far from endangering the structure of the Empire, was intended to ensure its preservation by reforming it in time *from within*. As a long-range goal Congress aimed at parliamentary self-government, within the framework of the Empire.

The cautious moderates who made up the Congress were quite taken aback when a systematic campaign was launched against them within three years of its founding. The heart of the opposition was up-country in Oudh, Agra, and adjacent areas, precisely those where the

Rebellion of 1857-58 had centered. British civil and military officials there still saw mutiny around every corner. They did not share the Viceroy's views that Congress or some other pacific outlet was necessary, as a forum for the changing currents of Indian opinion. To them the Congress, despite its modest professions, was a seditious organization which, if left unchecked, would whip up a new and greater rebellion. The epithets they applied to it were the same their successors used in the 1920's to describe the Indian Communists. Similar views were expressed by large landholders of Oudh and by many of the Princes. In reaffirming their loyalty to the Empire, they denied that India was capable of any kind of self-government. Congress they regarded as a great "grievance-shop" which could lead only to evil.

In unison with the attack on Congress by the bureaucracy, landlords, and Princes came a historic statement by the outstanding Muslim political and intellectual figure of the day, Sir Syed Ahmed Khan, enjoining all Muslims to shun the Congress. Sir Syed, scion of one of the most distinguished noble families of Delhi, had begun in 1837 a long career of Government service and had been outstandingly loyal to the Government throughout the 1857-58 rebellion. He was deeply depressed by the harsh policy pursued toward the Muslims by the British in the decade after 1858. The authorities blamed the rising primarily upon influential classes of the Muslim community, who had attempted, so the Government believed, to re-establish the Mughal Empire. After the Rebellion Muslims were regarded as unalterably hostile to the British raj; as such they were generally excluded from Government employment and were kept out of the professions. Sir Syed set himself very early the task of reconciling the Muslims and the British. He feared that if the British persisted in their persecution of Muslims the structure of Islam and the Muslim community in India would disintegrate. His main objective was to prevent this and to raise the status of his Muslim brethren. In arguing with the British for a reversal of their policy, he contended that the revolt was far more than a Muslim rising, that many Muslims had remained loyal, and that wise policy could reconcile even those who had been hostile. To his Muslim brethren, bitter over the discrimination practised against them, he pleaded for the ending of anti-British sentiment. As British rule was unshakeable and had come to stay, the sensible thing, he argued, was to appreciate its power and enjoy its benefits. A trip to England in 1869-70 convinced him of the overwhelming superiority of Western to

Indian culture. In spite of fierce, if not dangerous, attacks upon him by orthodox Muslims, he went ahead to found the Mohammadan Anglo-Oriental College (later called the Aligarh University, the most influential center of Muslim education in India), where advanced western education and the religion of Islam were taught together. In this work Sir Syed received funds and support not only from the Muslim middle class, and other advanced Muslim elements, weak as they were, but from the Government officials as well. A top Government official, Sir Auckland Colvin, helped to translate in 1873 Sir Syed's Urdu book on the *Causes of the Indian Revolt*. The Governor-General himself in 1877 laid the cornerstone of Sir Syed's College. In this and other gratifying ways – including appointment of Sir Syed to the Governor-General's Legislative Council, 1878-1882 – the Government signified abandonment of the anti-Muslim policy.

The rise of the Indian National Congress first perturbed Sir Syed and then moved him to act against it. Convinced as he was that British rule had given an "astonishing" advance to the people of India, the Congress activity, as he called it, of fomenting "unreasonable discontent" seemed totally unfounded. Worse still, it tended to upset the common people and might arouse them, headstrong Muslims included, to another revolt like 1857 which "threw back the progress of India a hundred years." To combat the Congress Sir Syed stated his views forcefully in a public address in 1887 at Lucknow, the ancient capital of Oudh. He followed this up by organizing the opponents of Congress into an "United Indian Patriotic Organization," with himself as secretary.

A high decoration given to Sir Syed by Queen Victoria in 1888 indicated that he did not lack Government support. Congress soon felt the breath of official disapprobation. The same Governor-General who had earlier encouraged it now publicly termed it a "microscopic minority." When Congress attempted at Christmas, 1888, to hold its annual session in the middle Ganges Valley, at Allahabad, the Provincial Government refused it the use of public meeting grounds and the head of the province, Lt. Governor Sir Auckland Colvin, arranged to spend Christmas away from his capital city, Allahabad. This was a strange and instructive contrast to the reception given to the Congress the previous year at Madras, where the Governor, Lord Connemara, had welcomed and mixed with the delegates and sent his own brass band to entertain them.

Sir Syed's pronouncement did not immediately deter Muslims from

working with the Congress. During the succeeding two years, in fact, more Muslims than before appeared at its annual sessions, though they hailed mostly from the busy ports of Bombay and Calcutta rather than from the upper Ganges Valley where Sir Syed's influence centered. Even there a pronouncement was obtained from the outstanding Muslim Divine of Lucknow (who was perhaps indignant primarily at the nineteenth century rationalism of Sir Syed's approach to the Islamic religion) that "it is not the Muslims but their official masters who were opposed to the Congress." For the bulk of the period up to the eve of the war of 1914, however, Muslim participation was on a small scale and failed to match the impressive showings of some of the initial years. Sir Syed's opposition undoubtedly played a major part in this, as did the undeniable hostility of Government to Congress. The weakness of the Muslim middle classes as a whole also had a retarding effect upon their entry into political affairs generally; many Muslims kept away from Congress in particular when strife developed within it as champions of militant Hinduism challenged the original Congress leadership.

The westernized founders of Congress admired the better aspects of parliamentary government and western culture, which they emulated and wished to reproduce in India. The tediously deliberative pace of their political activity failed to satisfy the younger generation of middle class politicians born and raised after the Rebellion. They lost all patience in the world depression of the 1890's which struck India even harder than the great crisis of the 1870's.

As prices of India's exports of foods and raw materials touched new lows, another series of droughts hit the hapless peasantry. The worst famines in all of Indian history followed, which combined with epidemics of plague, resulted in a death toll estimated by the British at more than 10,000,000. In those years talk of the benefits of western civilization seemed ironic indeed; as elsewhere in the colonial and oriental world, fresh efforts were made in India to vindicate the superiority of indigenous civilization against the much-vaunted rational and capitalistic civilization of Europe. Restless Indian nationalists now carried forward the work (begun some years earlier by small groups of mystics, orthodox sages, and a few devoted Western followers) of reviving and popularizing India's heritage of ancient Hinduism. Others developed the cult of such figures as Sivaji, the great Maratha hero of western India whose work contributed so largely to the breaking up of the Mughal Empire. Poona, former

capital in Bombay of Sivaji's empire, and Calcutta, ancient capital of Bengal, became centers of rituals, festivals, and gymnastic societies, which were extremely popular among middle class students. The resistance of Government to the reforms earlier suggested in so genteel a fashion by Congress, led the militant nationalists to stress the need for unrelenting large-scale agitation, for direct action, and among some groups, even the use of force.

These new currents gained ground at the end of the nineteenth century, especially in Bengal, the center of commerce and government, the most populous province of India, and the one in which Congress had its greatest strength. Government became aroused and alarmed at the militancy and potential strength of the new doctrines; investing itself with authority to curb them, the Government revived and utilized long-forgotten ordinances of sweepingly repressive power, including the right to deport any Indian from his own country, without trial or public charges.

Strong as these ordinances were, they could not hold back the great explosion of public feeling which took place after high-handed Lord Curzon, the most arbitrary of post-Rebellion Viceroys, proceeded to partition Bengal in 1905, in total disregard of popular opposition to the cutting up of their beloved Bengal. Bengal was then a huge, sprawling, ill-administered affair containing some seventy million inhabitants. Reform was long overdue, as it had been for thirty to fifty years, and perhaps could have been carried out fairly smoothly by separating off non-Bengali speaking areas, such as Bihar, which lies to the west of Bengal. Curzon instead carried his dividing line right through the heart of the Bengali-speaking areas, dividing it into a predominantly Muslim half in the north and east and a Hindu half in the south and west. British opinion in India applauded Curzon for fostering in Eastern Bengal a Muslim power which, they hoped, would have "the effect of keeping in check the rapidly growing strength of the educated Hindu community." Nationalist opinion in India could hardly doubt the policy being pursued when Sir Bampfylde Fuller, the first Governor of the new eastern province, was careless enough to remark publicly that he had two wives, one Hindu and one Moslem, and that the Moslem was his favorite.

The response to partition in 1905 was six years of unrest and popular demonstrations which started in Bengal and later spread to the Punjab a thousand miles away. Meetings and parades were the order of the day, followed by boycotts of imported British

manufactures. Politically, the movement developed the most anti-British slogans since the Rebellion, with *swaraj* (self-rule) the leading demand. Resistance to Britain, then the proud possessor of the greatest Empire in history, drew inspiration and encouragement from the unexpected and humiliating defeat administered to imperial Russia in 1904-05 by an Asian nation, small but powerful Japan. Use of terror and political assassination in Bengal was matched by further curtailing of rights of press and assembly, and by long-term deportations; political life in India, especially in Bengal, came to resemble that of rebellious Ireland and declining Czarist Russia.

FOUNDING OF THE MUSLIM LEAGUE

As the protracted campaign against partition spread and deepened, the British were gratified to receive expression of fealty from the conservative elements – princes, great land-owners, and nobles – whose loyalty had been cultivated since the Rebellion. The policy of giving special support to the Muslims was intensified. In 1906, an impressive delegation of several dozen Muslim chieftains, landed magnates, and others of high rank or wealth, headed by the Agha Khan, was encouraged to journey to Simla and wait upon Lord Minto, Curzon's successor as Governor-General, with an address asking that the Muslim community be treated as one single block whose interests, as distinct from the rest of the body public, should be recognized in the making of any political or administrative reforms, and in the awarding of offices and appointments. In practice this meant that if representative institutions were to be introduced on a broad scale, then the electorate, those eligible to vote, would be grouped on a principle quite different from that prevailing in Australia or Canada. In these countries, all citizens eligible to vote were considered members of one countrywide mass of electors, divided into territorial units for the purpose of electing representatives to provincial and national legislatures. The deputation headed by the Agha Khan prayed for a principle of communal electorates, with voters to be compartmentalized along religious lines, somewhat similar to the principle followed in splitting up the army of India after the Rebellion. Thus, for example, Muslims of Lucknow would be grouped solely with other Muslims from Lucknow, and could elect only Muslims to whatever provincial or central legislature might be established.

Replying on the spot to the petitioners, Lord Minto termed the

deputation representative in character of the Muslim community and declared their request to be "very full of meaning." Without waiting for a reference to his Council or to London, he announced forthwith from his summer capital at Simla that he was "entirely in accord" with the general principle of communal electorates and he guaranteed the Muslims that "their political rights and interests as a community will be safeguarded in any administrative reorganization with which I am concerned. . . ."

The issue involved was more than academic or theoretical. Repeated Congress pressure over the past two decades for reforms in the direction of self-government had popularized this demand in India, and it was understood in 1906 that proposals of this nature were being weighed. This knowledge was one of the few cards which the moderates in the Congress had to play in their efforts to maintain control of the organization against the swelling strength of the militants. The latter, in fact, charging that the moderates were keeping themselves in power only by the use of highhanded methods, broke away in 1907 from the Congress in a breach which was not healed until 1916.

While the Congress was dividing into the wings, the affluent and influential Muslims who had made up the 1906 deputation to Lord Minto now took the historic step of forming a special organization to capitalize on the success of their mission to Simla. They called a conference to meet at Christmas 1906 in Dacca, capital of the new province of Eastern Bengal, and there they agreed to found the All-India Muslim League. Like the Congress two decades earlier their program began with a solemn profession of loyalty to the Empire. Their chief aim was to defend and further the political rights of Muslims, whose needs they undertook to voice to the Government "in temperate language." Alongside of this goal, but subordinate to it, they recorded a desire to promote friendly feelings between the Muslims and the other communities of India. In due course the Agha Khan became permanent president of the League and Aligarh University its first headquarters.

The formation of the League was welcomed by the British authorities in London and India as an important step toward keeping the Indian Muslims away from "the ranks of the seditious opposition," i.e., the Congress, whose more militant followers in Bengal and the Punjab were campaigning unceasingly against the partition of Bengal and for self-government. Largely because of pressure from the

Congress, the long-awaited Morley-Minto reforms were finally announced in the winter of 1908-09. Lord Morley, the Secretary of State for India, explained the core of his policy to the House of Lords with unusual candor. In India, he stated, there were three classes of people to be considered: the small group of *irreconcilable* extremists who nursed "fantastic dreams that some day they will drive us out of India. . .;" secondly, the advocates of self-government ("colonial autonomy"); and lastly, the would-be cooperators who sought only a larger share in the administration of India. The essence of the reforms was to draw the second class, the advocates of "colonial autonomy, into the third class, who will be content with being admitted to a fair and full cooperation." In short, Morley proposed to march forward "with unfaltering repression on the one hand and vigour and good faith in reform on the other. . . ."

Congress reaction to the reforms was mixed. It was difficult for all but a few to maintain any enthusiasm for a set of reforms, which, while permitting members of the provincial and central legislatures to criticize the British administrators of India more freely than in the past, refrained from giving the legislatures any authority whatsoever to control the actions of those administrators. The Muslim League applauded the reforms because they formally adopted the principle of communal representation in the legislatures for which the leaders of the League had petitioned on their deputation to Simla in 1906. The reforms, in fact, greatly increased the number of members of the legislatures, largely to provide places for special representatives of the Moslems, wealthy landlords, and the European and Indian mercantile communities. The process of giving *disproportionate* representation to this medley of specially favored groups was carried so far that even the foremost organ of British opinion in India, the *Statesman* of Calcutta, was provoked to remark that the Reforms Scheme "amounts to little else than the provision for including in the Legislative Council more landowners and more Mohammedans."

Instead of fading under Morley's "unfaltering repression," which proceeded hand in hand with the reforms, the anti-Partition movement led by the irreconcilables gained in strength and finally was victorious in 1911, when the imperial authorities took advantage of the accession of George V to the throne to announce suddenly the reunion of Bengal. Simultaneously, in a move partly to punish the militant nationalists of Bengal and partly to keep them from "infecting" the rest of the country too easily with their ideas, the capital of India and

residence of the Viceroy were shifted from Calcutta to Delhi – Delhi being one of the centers of Muslim influence in the country and former headquarters of the Mughal regime.

Muslim reaction to the reunion of Bengal – a reunion prepared in secret and sprung upon them by surprise – was one of shock and indignation, which soon grew among the educated middle classes into a wave of anti-British sentiment. Prominent Muslim writers now undertook a passionate vindication of Islam (a *liberalized* Islam, of course) against the supposed superiority of the imperialistic west. They rushed to the defence of such Islamic countries as Persia and Turkey (the “sword of Islam”) which were the victims of western imperialism. Britain and Czarist Russia were assailed for conspiring to divide up Persia. Britain, which had propped up the corrupt Ottoman Empire in the nineteenth century, was particularly denounced for failing to help the nationalist “Young Turks” – who had seized power in 1908 – in their efforts to hold together their fast-crumbling empire. From criticism of Britain abroad the Muslim publicists moved swiftly to a nationalist position within India. The period of unqualified loyalty of the Muslim League to the British was brought to an end by the adoption in 1913 of a plank calling for “self-government” for India. The conservative wing of the League, led by the Agha Khan, disapproved this irruption of nationalism in the League and the Agha Khan hastened to resign as permanent President. Aided by this defection the League soon achieved an understanding with the moderate leaders in control of the Congress.

CONGRESS-LEAGUE COOPERATION

The outbreak of the World War in 1914 evoked immediate expressions of loyalty to the British by the leaders of both organizations and from most of India generally. Indian national figures took the position that a final and favorable settlement of India's relations with Britain was bound to result if India refrained from embarrassing Britain in the war with Germany and gave her unstinting aid. Encouragement was lent to these optimistic hopes when, after a quarter-century of aloofness, the British Governors resumed in the early war years the practise of honoring the Congress sessions with their official presence. To show that India was ready for the great political benefits which were to flow after the end of the war, the moderate leaders of both the League and the Congress called for

an *entente cordiale*. Tilak and his militant followers who had stamped out of the Congress in 1907 were swept up in the new wave of good feeling and rejoined the Congress. The League and the Congress began to hold their annual meetings at the same time and place, and at their parallel sessions at Lucknow in 1916 they demonstrated their "united front" by agreeing upon and signing the famous "Lucknow Pact."

This proposed so large an extension of power to the provincial legislatures as to amount to self-government in domestic matters; the legislatures themselves were to be "elected directly by the people on as broad a franchise as possible." The power of the Governor-General and his Council at the center was to be sharply reduced by division of their authority among the provincial governments, and by making the central government subordinate to the wishes of an elected, rather than an appointed, central legislature. (Control of foreign and military affairs, however, was left to the imperial authorities in India.) The Lucknow Pact was harshest of all in its attitude to the Secretary of State for India, sitting in London. The costs of that office, it recommended, should be transferred from the Indian to the British budget, and the Secretary's powers to direct or interfere in the domestic affairs of India should be virtually eliminated. Muslim support for the Lucknow Pact was obtained by granting them the principle of communal representation in the legislatures and by providing special safeguards whereby the representatives of minority communities in the legislatures could veto action on matters affecting their interests. Outstanding among the Hindus in pressing the Congress to agree to these special stipulations for the Muslims was the most militant Hindu nationalist of the day, Tilak himself. Foremost among the Muslims in bringing the two organizations together was a prominent Bombay barrister, Mahomed Ali Jinnah, who had entered politics ten years earlier as private secretary to the president of the Indian National Congress. Jinnah's marked abilities brought him rapid fame. Soon after the League shifted its course toward nationalism in 1913, Jinnah was invited to work with it. This he did, while retaining his membership in the Congress. His efforts to induce the Congress and the League to agree went so well that he was dubbed the "ambassador of unity" and was elected in 1916 to preside over the League at its critical Lucknow meeting.

The Lucknow Pact in essence was a joint demand for "home rule," and by implication it menaced the future of imperial rule. Early in the

war of 1914-18, however, several groups of discontented Indians had already shown avowed and undisguised hostility to the British raj and unwillingness to aid Britain in the war. Thus the most influential Muslim writers and journalists continued and intensified their pre-war sympathy for Britain's opponent Turkey (which in November 1914 entered the war on the side of Germany). They ridiculed Britain's military efforts and poked fun at its war propaganda. Their widely read newspapers were soon shut down and they themselves were interned for the duration of the war. Other Muslims went much further. They joined with Hindus and Sikhs in a series of related movements which aimed at overturning the British raj; this, they argued, was the only effective way by which India could gain its full freedom. To this end they accepted arms and aid from almost any quarter, especially Britain's enemies, Turkey and Germany. The most spectacular of these movements went so far as to form in 1916 at Kabul, the capital of Afghanistan, an abortive "Provisional Government" of India, with a Hindu as President and a Muslim as Premier.

Wartime conditions in India provided fertile soil for the flourishing of other conspiratorial movements. India's weak economy was ill-fitted to bear the heavy strains of war. The British cabinet in London called upon India for men, money, and materials, largely to sustain the Allied war effort in the Near East. Shortages quickly developed, accompanied by rising prices and profiteering. The railway system staggered and neared collapse. All this the country might have borne, but resentment flared up when Government officials exerted heavy pressure to raise "voluntary" loans and contributions and to enlist large drafts of "volunteer" soldiers. The situation became particularly acute in the Punjab, Britain's favorite recruiting ground in India. The Lieutenant-Governor there was Sir Michael O'Dwyer, whom the Secretary of State for India termed in 1917 "the idol of the reactionary forces." O'Dwyer ruled his province with an iron hand, repressing to his own satisfaction a rebellious movement among the peasantry known as the *Ghadr* (Revolt) party which received guidance and aid from the emigrant Sikh communities in far away California and in Vancouver on Canada's Pacific coast.

As had been proved before, stern Government measures failed to prevent the spread and deepening of unrest, and the growth of popular sympathy with the revolutionary currents. The imperial authorities could not help but notice that at Lucknow in 1916 both the Congress

and the League, though supporting the war, had called for an end to repression and for the release of political prisoners. Nor could they fail to note the joint political action manifested in the signing of the Lucknow Pact. This was followed in 1917 by a formidable campaign led by the militant wing of Congress to mobilize the people behind the slogan of "Home Rule." The imperial authorities realized that the pace of reform would have to be speeded up rapidly, or they would lag dangerously behind the march of popular sentiment in India. In August, 1917, the Secretary of State for India, Edwin S. Montagu, made his famous declaration to the House of Commons that Britain's aim in India was "the gradual development of self-governing institutions with a view to the progressive realization of responsible government in India as an integral part of the British Empire." Montagu followed up this declaration with the announcement that he himself would leave shortly for India as head of a mission to inquire and consult with the Viceroy, Lord Chelmsford, on methods of implementing this declaration. The outcome of Montagu's visit was the Montagu-Chelmsford Report of 1918 (which became the basis for the Government of India Act of 1919, the Montagu-Chelmsford reforms). To the dismay of the bulk of the Congress and League leadership, the recommendations of the Montagu-Chelmsford Report fell far short of the demand of the Lucknow Pact for full self-rule over the domestic affairs of India. Instead, the Report left the powers of the Secretary of State and the Governor-General for the most part untouched – although the latter was to be assisted by a well-nigh powerless central legislature of two houses. Half of the members of the Upper House were to be appointed by the Government; the other half were to represent an electorate restricted to 18,000 persons. The lower house was to be elected under a franchise by which $\frac{1}{2}$ of 1% of the population was entitled to vote. The novel feature of the reforms was the system of "dyarchy" (dual power) to be applied to the provinces. The government of the provinces was to be divided into two spheres; over one sphere the imperial authorities were to continue to exercise full control; the other sphere, including such subjects as health, education, and fisheries, was to be controlled by provincial legislatures as a trial of "self-rule." The franchise for voting at provincial elections was confined to 2% of the population (or 8.8% of the males over 20 years of age).

The only important part of the Lucknow Pact which the Reforms adopted was the principle of communal representation in the

legislatures, a principle to which the Congress had acceded reluctantly in order to secure unity of action with the League. A special session of the Indian National Congress, meeting in August, 1918, to consider the Montagu-Chelmsford Report, termed it "inadequate, unsatisfactory, and disappointing." The Congress insisted upon early and full self-determination, in accordance with the famous 14 Points enunciated as war aims earlier that same year by Woodrow Wilson. The Moderates in the Congress, who had been carefully cultivated by Montagu while he was in India, balked at this verdict and left the Congress to found their own party, the National Liberal Federation, which strongly endorsed Montagu's proposals.

REPRESSION AND RESISTANCE

Even before the protracted debate over the Montagu-Chelmsford Report began, Jinnah publicly warned Montagu that a repetition of Morley's policy would not do. "Repression with one hand and concessions with the other is a policy which no self-respecting people can accept." Yet one month after Montagu's arrival in India the central Government appointed with Montagu's approval the Rowlatt Committee to investigate "criminal conspiracies connected with the revolutionary movement in India" and to advise on necessary measures "to enable Government to deal effectively with them." The Rowlatt Committee's Report, published soon after the Montagu-Chelmsford Report, recommended drastic measures (temporary and permanent) for handling political prisoners; special tribunals were suggested for trying such cases without benefit of counsel or jury, and those found guilty could be executed or interned without right of appeal. These sweeping recommendations were instantly denounced by nationalist opinion. Public opinion was therefore aghast and horrified when, early in 1919 – while the constitutional reform proposals were still being prepared for the tortuous process of Parliamentary enactment – the Government of India introduced and passed as one of its first post-war measures a comprehensive "Anarchical and Revolutionary Crimes Act," with provisions even more drastic than the Rowlatt Committee had recommended. The measure was singularly ill-timed.

To Indian nationalists this repressive act was clearly one which no free self-respecting country would put on the Statute books for application within its own borders. Its introduction came when British

officials were returning from wartime posts marked by rapid promotion and high martial authority to routine jobs among a discontented populace. Its passage was interpreted as part of a process of reimposing the pre-war British raj without regard for India's wartime aspirations. These political objections to the sedition act were reinforced by acute social and economic grievances. India's swollen armies were being hastily demobilized with no assistance to the soldiers in the difficult readjustment to civilian life. The poor harvest of 1918 added another burden to the harassed peasantry, while industrial workers resented the pitiful wages they continued to receive while factory owners made as much as 100% profit per year. To top it all off, the devastating influenza epidemic which swept the world in 1918-19 caused more than 10 million deaths in India.

The initiative in organizing popular resistance to the Rowlatt Bills was seized by the most famous Indian of modern times, M.K. Gandhi. He was born in 1869 in Gujarat, western India, where for several generations his forbears had served as chief ministers for some of the small Indian states of Kathiawar. Gandhi went to England to complete his education, and there he was admitted to the Bar. He set up legal practice in South Africa where he attracted attention in the two decades before 1914 by organizing and heading the struggle of the Indians of South Africa against the harsh discrimination practised against them. In the course of this struggle, which has continued to the present day, Gandhi developed his celebrated technique of civil disobedience.

During the war of 1914-18 Gandhi was outstanding in his loyalty to the Empire. At its outbreak he was in London, where he at once proceeded to organize an Indian Ambulance Corps for service on the western front. As late as the summer of 1918 he was conducting a campaign in his native Gujarat to persuade the peasants there to enlist in the Indian Army. He argued that if India "wants *swarajya* (self-rule), it is our duty to help the Empire;" in return for her assistance India would undoubtedly get the rights and status she desired.

The Rowlatt Bills shocked Gandhi to the core. He believed that inevitably they would so wither the projected Montagu-Chelmsford Reforms that the latter would emerge as a "whited sepulchre." His sense of the Indian political scene told him that the Rowlatt Bills were certain to provoke a massive and violent eruption unless a form of protest was quickly provided whereby popular indignation could express itself in a dramatic but peaceful fashion. As soon as one of the

Rowlatt Bills was formally enacted, he designated April 6, 1919 as a day of protest and mourning, to be marked by a country-wide *hartal* (shutdown of shops and business – an ancient and traditional institution in India); this was to be followed by civil disobedience as directed by a committee headed by Gandhi. The *hartal* was an extraordinary success throughout India. Government officials noted an “unprecedented fraternization between the Hindus and Muhammadans.” At meetings in some of the most famous mosques, Hindu leaders were permitted to appear and address the throngs. Although there was great excitement and high feeling, the day passed peacefully – in contrast to the premature celebration held one week earlier in Delhi where clashes between the authorities and the crowds had led to a number of casualties.

The giant demonstrations of April 6 discomfited the authorities, especially in the Punjab, where Sir Michael O'Dwyer, the Lt. Governor, ruled with what the Secretary of State himself called “an iron hand.” O'Dwyer despised the Congress leaders in the Punjab as “agitators,” restrained their political activity, and termed their demonstrations “ludicrous” and “puerile.” The chief center of Congress activity in the Punjab was Amritsar; there the leaders were a Muslim, Dr. Kitchlew, and a Hindu, Dr. Satyapal. Their continued and close cooperation in fostering Gandhi's program was a striking demonstration of Hindu-Muslim unity, and the rapid spread of their influence dismayed the local authorities. On April 9, three days after the general *hartal*, a Hindu holiday was celebrated at Amritsar by jubilant Hindus and, contrary to custom, large numbers of Muslims joined in the festivities. The Deputy Commissioner himself was caught by their procession, and observed it from the verandah of a British bank. He later testified that the crowd as a rule was “very civil, every car in the procession stopped in front of me and the band played ‘God Save the King.’” The Deputy Commissioner had been deeply perturbed for some time by the influence of Kitchlew and Satyapal. Under orders from the Punjab Government headed by O'Dwyer, he had them removed the next day, April 10, from Amritsar to a station high in the mountains. As news of their arrest spread, angry crowds collected and soon clashed with the police and soldiers. Rioting and looting followed, and attacks upon Britishers took place for the first time. Some British and many Indians were killed or injured. Reinforcements of troops arrived and took control of the city, which quieted down on the 11th and 12th. A memorial meeting was called

for the 13th, the day of the annual horse-fair, on which many peasants from the surrounding countryside came to town. The military authorities prohibited all gatherings, but the proclamation to this effect was given only scattered publicity. A crowd of 6,000 to 12,000 men, women, and children gathered that afternoon in an enclosed meeting ground with only one true entrance, and that a narrow one. When the military authorities heard of the meeting they marched a force of somewhat less than 100 Gurkhas and Baluchis and two armored cars to the scene. As the entrance to the grounds was too narrow for the cars, they stayed outside while the soldiers filed in and, upon order of the commanding officer, General Dyer, opened fire at once and without warning upon the entirely peaceful crowd. From time to time fire was redirected to areas where the densest groups of people – Hindus, Muslims, Sikhs – were frantically trying to escape from the enclosure. At least 379 were killed and 1,200 wounded. When the ammunition of the soldiers was exhausted, General Dyer marched them away. He later testified that if he had been able to bring the armored cars to the scene, he would have employed their machine guns on the assemblage. In defending his action General Dyer later said his primary concern was not so much with dispersing the crowd in Amritsar as with “producing a sufficient moral effect from a military point of view. . . throughout the Punjab.” The local civil and military authorities in the Punjab deemed themselves to be faced with a conspiracy to overthrow British rule, but even the official commission which subsequently investigated these incidents could not be persuaded that such a plot had really existed. The “moral” training thus begun was continued with the formal proclamation of martial law in the heart of the Punjab, which was accompanied by such moral exercises as indiscriminate public flogging, forcing of Indians to crawl on their bellies, punitive bombing and machine-gunning of towns and villages by airplanes, and handcuffing of Hindus and Muslims in pairs to show the consequences of Hindu-Muslim unity.

While the Punjab was being pacified, there was a good deal of unrest in Bombay and Gujarat, where some disorders took place after the authorities temporarily arrested Gandhi and then restrained him from leaving Bombay presidency. After outbreaks of violence in the wake of the general *hartal*, Gandhi decided that the Indian people were insufficiently prepared for passive resistance. He suspended the movement and helped the authorities to restore order.

II: CIVIL DISOBEDIENCE AND CONSTITUTIONAL REFORM

Despite the incidents in the Punjab and western India, it looked for a time as though the Congress and the League would cooperate with the authorities in putting into effect the Montagu-Chelmsford Reforms. The two organizations held their annual sessions at Christmas, 1919, in Amritsar, as a token of sympathy with the Punjab for the suffering it had undergone. In anticipation of these key sessions, the British Government accelerated the pace at which the Reforms were being handled in Parliament and their formal enactment was announced with a royal proclamation several days before the opening of the two sessions. As a conciliatory gesture, the King's Proclamation declared an amnesty for most political prisoners, thus enabling some of the Muslim leaders who had been interned since early in the war to reach Amritsar in time for the sessions. In the Congress session a bitter battle developed between those who were for utter rejection of the reforms and those who were for giving them a trial. Only Gandhi's great personal influence secured the adoption by a close vote of a decision to accept the reforms for what they were worth, and to see if they could be used as a stepping-stone to the full self-government which was so ardently and speedily desired. The Muslim League took much the same stand.

Within a few months of his triumph Gandhi completely reversed his position and prepared to let loose what his imperial opponents termed the "poison gas" of non-cooperation. Many elements combined bring about this historic shift. In Gandhi's eyes the March, 1920, report of the Government Commission which belatedly investigated the Amritsar affair was "thinly disguised official whitewash." Gandhi's verdict was gentle, compared to the general Indian assessment of the document, which infuriated men of all political stamps from cautious moderates to extreme militants. At the same time feelings of indignation and unrest among India's Muslims rose to new heights in May, 1920, because of the draft Treaty of Sevres which the Allies, led by Britain, decided to impose upon Turkey. Aside from breaking up Turkey's empire and parcelling it out among several Allied powers, this treaty and related understandings would have

provided for the partitioning of the Anatolian plateau and the awarding of key economic concessions there to Allied powers. Under the treaty Turkey would have lost all semblance of authority over Mecca, Medina, and Jerusalem, which are Holy Places in Islam. In demanding an element of Turkish control over these places, the Indian Muslim leaders proved more Turkish than the Turks themselves. The Indians argued that these Holy Places should not be allowed to pass completely out of the hands of the head of Islam, a post which the Sultan of Turkey had claimed to hold as "caliph" of Islam. Strictly speaking, however, in Islamic doctrine the two offices of Sultan and "Caliph" were indissolubly linked; in upholding the "Caliphate," therefore, the Indians were in fact calling upon the Turks to retain the Sultan. The Turkish nationalists, while appreciating aid from India in their efforts to maintain the integrity of Turkey proper, were not so happy about Indian support of the Sultan. To the Turkish nationalists the Sultan was the symbol of corrupt and decadent reaction which they were determined to abolish. The agitation about the "Caliph" – the Khilafat agitation – thus contained somewhat contradictory elements, but there was no doubt that the Indian Muslims wished to soften the drastic penalties inflicted upon Turkey and also to use the Khilafat question as a means of discomfiting their British overlords. To Gandhi, aside from his support of the Khilafat as a just demand, the Khilafat issue furnished "an opportunity of uniting Hindus and Mohammadans as would not arise in a hundred years," and he hastened to throw the full weight of his support to the demands of the Indian Muslim leaders.

Parallel to these trends in the Congress and in the Khilafat movement, there occurred unprecedented stirrings among the underprivileged populace in city and country. The first half of 1920 witnessed the birth of the labor movement in India, as shown in a wave of industrial strikes involving one and a half million workers. Simultaneously, in many parts of India the desperate peasantry formed themselves into local movements against oppressive landlords and sought counsel and support from nationalist leaders who had gained public fame. In Allahabad, Jawaharlal Nehru, young son of the wealthy nationalist lawyer, who was then president of the Congress, was almost compelled by Oudh peasants to come and see for himself the inhuman condition to which they had been reduced by the landlords. Although the newspapers carried not "a line about it," he found "the whole countryside afire with enthusiasm and full of a

strange excitement. . . people. . . seemed to expect strange happenings which would, as if by a miracle, put an end to their long misery."

This high pitch of hope and excitement in the Indian countryside was part of and related to the immense tide of unrest and nationalism which swept the colonial world from Morocco in northwest Africa, through Egypt, India, Indonesia, and China, in the wake of World War I. Popular hope for a new order of things drew encouragement from the Russian Revolution of 1917, which destroyed Czarism and its peculiarly oppressive system of rule over the Islamic peoples and other national minorities to the north and northwest of India. In the midst of this excitement in city and country the world economic crisis of 1920-22 descended upon India, spurring the people and their spokesmen, as in the 1870's and 1890's, to new and greater activity.

GANDHI'S DOCTRINES AND METHODS

Of the Indian leaders of the day, Gandhi was unique in his grasp of the popular scene. His work in South Africa before the war had brought him into contact with oppressed indentured laborers who had emigrated from south India; during the war he had conducted two important campaigns among the peasantry, one for indigo-growing peasants of northern Bihar and the other for overtaxed peasantry of the Kaira district of Gujarat; and in 1918 he had resorted to a fast to help persuade Ahmedabad mill-owners to pay higher wages to their striking workers. In contrast to Gandhi the bulk of the nationalist leaders moved primarily among the middle classes and were familiar only with middle-class problems; in Nehru's words they were largely cut off from their own people and "lived and worked and agitated in a little world apart from them." To Gandhi it was clear that the people were moved by a deep fury at the unredressed wrongs done to the Punjab and at the savage treatment being meted out to Turkey; and it was also obvious to him how deep-seated was the unrest among the peasantry and urban labor. He knew that to organize a mass movement under such conditions was fraught with risk, for it was "no easy task to restrain the fury of a people incensed by a deep sense of wrong." But he felt that "the risk of supineness in the face of a grave issue is infinitely greater than the danger of violence ensuing from organizing non-cooperation. To do nothing is to invite violence for a certainty." In the spring of 1920, therefore, Gandhi reversed

the course he had charted the previous Christmas at Amritsar, publicly pronounced British rule "a curse to India," and termed it "satanic." Preparations were begun for a full-scale civil disobedience movement.

Gandhi waged his campaign under two banners, *ahimsa* and *satyagraha*. These Hindu terms are central in his outlook and his use of them is characteristic. Although an ardent nationalist, Gandhi's primary and overriding aim has been the religious use of politics for promoting an inner spiritual revival among men. His chief and abiding object of attack has not been so much the corrupt and warped institutions of society as the evil embedded in men's minds and feelings. If the latter could be dislodged and purged, then the subsequent task of purifying worldly institutions would follow with comparative ease. The first task that Gandhi set for any individual, therefore, was one of self-purification, to be accomplished through *ahimsa* (non-injury to living creatures) and *satyagraha*, (steadfast adherence to Truth, or as Gandhi freely translates it, "soul-force".) These doctrines have a long and interesting history of their own, but this is not the place to recount it. In brief, they are a special combination of the type of pacifism which Tolstoy developed in nineteenth century Russia, Jesus' "Sermon on the Mount," and several key tenets of Hinduism.

To Gandhi, then, the philosopher's stone is *ahimsa*, which in a positive sense can be taken to mean "the law of love." Gandhi demands that man train himself "to love the meanest of creatures as oneself." If India had followed this principle historically, then she would never have fallen victim to such worldly evils as subjection to a foreign power, Hindu-Muslim antagonism, untouchability, and mass poverty. The way forward for India is spiritual regeneration through a return to fundamental truth, which is love and non-violence. The method arising out of this approach is *satyagraha*: non-violent resistance, or non-violent non-cooperation. Satyagraha can be applied to worldly injustices only after the prospective leaders of such a campaign have properly purified themselves by vowing to "adopt poverty, follow truth [non-violence], cultivate fearlessness," and "observe perfect chastity." After the leaders are prepared, the community takes the same vows, and then the movement gets under way. The intent of such campaigns has been eloquently described by W. Norman Brown, an outstanding American authority on the subject.

[The community] take a solemn oath not to submit to the injustice against which they are protesting, rather to endure all penalties for refusal. They must, however, bear no hatred against the legislators, the police, the jailors, the soldiers who oppress them. Rather they must fill their hearts with warm love for them. In the struggle they will suffer; let them be glad to do so. The suffering purifies their own souls, and at the same time becomes a force which mystically operates to their advantage, softening the hearts of their oppressors. With their love, too, they will suffuse their opponents until at last a counter-love is generated in the once hard hearts. If the community endures unflinchingly, it must eventually triumph. But it triumphs not by humiliating the opponents, but by bringing them to such a love that they will see that their own happiness as well as that of the community exercising Soul Force [satyagraha] is best served by granting justice.

This was the extraordinary doctrine which Gandhi placed before the worldly and wealthy leaders of the Congress. Many of the latter, urban patricians that they were, prided themselves on their modernity and sophistication. How were they persuaded to accept Gandhi's ascetic, self-humbling, non-violent doctrine which rejected modern science, medicine, and other western material achievements? And how were the Muslim supporters of the Khilafat, steeped in the martial traditions of a militant faith, brought to enlist under Gandhi's banner? The explanation is to be found in the character of the period and the fact that the degree of acceptance of his doctrine varied widely among the ranks of his supporters. The Congress leadership realized, in part because of Gandhi's own work, that India was passing through "a revolutionary period" and that their older political techniques would not suffice. Whether or not they wished to make Gandhi's doctrine a part of the permanent political creed of the Congress, a case could be made out for trying it as a policy and seeing how it worked. It was argued that under the Arms Act of 1879 the Government of India had disarmed, in fact, "emasculated," the Indian people, and that their only true weapon was the force of their numbers. Gandhi's methods, while novel, were aimed straight at men's minds and feelings, and not directly at the social and economic fabric of society. As he himself said, he was not a "visionary," but a "practical idealist." He presented no immediate menace to wealthy merchants, landlords, or industrialists, a number of whom had enrolled themselves as his staunch supporters. They welcomed, in fact, his onslaught on communism as the "necessary result of modern materialistic civilization." To the Indian Muslims heading the Khilafat agitation, Gandhi's zeal for their cause was a sign of true statesmanship and a

living proof of Hindu-Muslim unity. His backing carried with it immense support from non-Muslim parts of India, and for this the Khilafat leaders were quite willing to accept Gandhi's doctrine as an *expedient*. Finally, there was the persuasive influence of Gandhi himself. He was a gifted speaker and writer, with a formidable pen. His limitless confidence in his method swept the field before him, occasionally leading him to deal harshly, almost arrogantly, with those who did not see eye to eye with him. His non-violence was highly militant, and there were many weapons in his armory of love. In the supreme battle for men's minds, his language tended to become fiery, and the clash and clanging of arms almost became audible.

Gandhi soon worked out a program under which satyagraha was to be applied in four successive stages, with the aim of compelling the imperial authorities to satisfy India's national demands. In the first stage Indians were to give up all titles and renounce all honors they had received from their imperial masters. The second and main stage called for a triple boycott of the government legislatures, law courts, and schools and colleges. This was intended to make the functioning of the government collapse; at the same time, to strengthen India's home industries, foreign goods were also to be boycotted, and hand-spinning and hand-weaving to be encouraged. As a "distant" third stage, to be employed only if the first two were not efficacious, Gandhi listed withdrawal or resignation of soldiers and policemen from government service; fourth and lastly came the suspension of payment of taxes. This, Gandhi admitted, was "fraught with the greatest danger," for it was "likely to bring sensitive classes in conflict with the police."

Significantly enough, the main features of Gandhi's program were adopted during the summer of 1920 first by the Muslim leaders of the Khilafat agitation. Only later and in the face of important opposition did Gandhi succeed in persuading the Congress to adopt his program. The Muslim League followed the lead of the Congress, with both organizations changing their basic goals from self-government *inside the empire* to "the attainment of Swarajya by the people of India by all legitimate and peaceful means." At this time Jinnah broke with the Congress, for he argued that Gandhi's essentially spiritual program would not work, that non-violence was suited more for saints than for ordinary mortals. "Not one in a million could carry out Mr. Gandhi's doctrine which has [as] its sole arbitrator his conscience." Jinnah himself was for a purely political and non-religious program;

like other moderates of the day, who did not seem to appreciate fully the depth of mass discontent, he argued in favor of using the enlarged Council of the Montagu-Chelmsford reforms as a platform for showing popular opposition to the Government's policies.

CIVIL DISOBEDIENCE 1920-22

The leadership of the non-cooperation campaign was assumed by the Congress and exercised by a top committee of fifteen, the "Working Committee," headed by Gandhi. Under his leadership the Congress girded itself for an historic countrywide campaign to bend the authorities to its will. For the first time the Congress organized itself on a "grass-roots" basis, establishing branches or units right down to the village level. The Congress thus lost the overwhelmingly urban character which it had had during its previous 35 years of existence and became the first modern mass political party in India.

Gandhi scored the first marked success in November, 1920, when the bulk of the electorate boycotted the first elections held under the Montagu-Chelmsford reforms. He moved on from this to the initial stages of his non-cooperation campaign. Students all over the country responded eagerly to his call to boycott government schools. The boycott of foreign goods was symbolized by huge bonfires of imported British cloth. Large sums were quickly raised to support the campaign, women often throwing in their jewelry for the cause. In the cities militant Congress and Khilafat youth organized themselves as volunteers; Hindus and Muslims together, they paraded through the streets in large numbers, shouting slogans and picketing shops selling foreign cloth. They ignored government declarations that they were illegal and continued their active support of the non-violence campaign. After thousands were arrested, jail terms became an almost indispensable "badge of patriotism."

In the countryside the peasantry joined in the anti-government campaign with an enthusiasm that frightened and alarmed the authorities. Their first great demonstrations took place in the United Provinces, followed by Sikhs in the Punjab, Bengalis in Midnapore, Moplahs (a special group of Muslims in the south) on the Malabar coast, and Andhras in northern Madras. Several of these agrarian movements contained more than political and economic elements, the Moplah in particular taking a partly communal turn.

The distraught imperial authorities, swamped with volunteers who

crowded the jails, bethought themselves of using the Royal Family to impress the Indians, who, as Orientals, were supposed to stand in awe of titled Monarchy. The Prince of Wales landed at Bombay late in 1921, but was received with well-nigh total *hartals* wherever he went.

By the end of 1921 most of the Congress and Khilafat leaders were in jail. Heavy pressure was brought to bear on Gandhi, particularly by the remaining Khilafat spokesmen, to intensify the campaign by moving on to mass civil disobedience, including non-payment of taxes. Some even proposed abandonment of non-violence, which irritated Gandhi intensely. He had been perturbed earlier by the rough way in which Bombay mill hands treated those who refused to boycott the Prince of Wales. When the annual session of the Congress at Christmas, 1921, vested him with "sole executive authority," he hesitated to use his powers to call for the long-expected no-tax campaign. He was aware that such a campaign would almost certainly lead to clashes with the authorities and he was afraid that the people were not sufficiently non-violent. He also knew the attitude of some of the wealthy but not militant supporters of Congress, as later summed up by an Indian millionaire in Bombay: "Non-payment of taxes would only do for those who have no vested interest in the country." He ordered an Andhra district of north Madras, which began a no-tax movement without his explicit authorization, to call it off. At long last, he served an ultimatum on the Government in February, 1922, that unless the authorities released the volunteers from prison and desisted from "virulent" repression, he would begin mass civil disobedience in Bardoli, a small sub-district of Gandhi's native Gujarat.

Just at this critical moment word came from Chauri Chaura, a small hamlet in the United Provinces, that peasants who had been attacked by the police had turned upon the constables, forced them to withdraw to their station and set fire to the building, thereby burning or beating to death 22 persons. This news Gandhi treated as a direct, personal, divine warning and he at once persuaded the Congress Working Committee to call off the entire non-cooperation movement in all of India. Before the Congress and Khilafat could recover from this sudden and demoralizing end to their struggle, the Government authorities took advantage of the confusion to arrest Gandhi himself on charges of promoting "disaffection" and sentenced him to six years' imprisonment.

AFTERMATH OF THE CAMPAIGN

Gandhi remained in jail for two years, until he was released early in 1924 after a serious illness. During this time the Khilafat agitation which, like the rest of the national movement had been staggered and dismayed by its sudden end, suffered a second and crowning humiliation. This occurred when the Turkish nationalists under Kemal Pasha first deprived the Caliphate of all temporal power and then totally abolished the office and banished the deposed Caliph from Turkey. The failure of the Indian national movement under Gandhi and the special discrediting of its militant Khilafat wing threw into bold relief the dangers implicit in "the religious use of politics" in India.*

Gandhi himself was a fundamentalist Hindu. His politics and rhetoric were "primarily religious in basis and in operation. . .," and they contributed heavily to a growth of militant Hinduism. At the same time most of the heads of the Khilafat movement were themselves Muslim divines struggling to protect what they regarded as the highest office of their faith. The utter collapse of 1922-24 left side by side two aroused and frustrated faiths. It is scarcely surprising that "the religious use of politics" backfired and that as part of the aftermath of the aborted non-cooperation campaign came the breakup of the Congress-League-Khilafat cooperation of the decade 1912-1922 and a resurgence of communal rivalry and disorder. The latter was marked by the passionate antagonism of two movements, each led by erstwhile lieutenants of Gandhi. Swami Shraddhananda, one of Gandhi's chief backers in Delhi, headed a purification movement to win back Hindus who had voluntarily strayed from the fold or been forcibly converted to some other faith, such as Islam. To counteract this, Dr. Saifuddin Kitchlew, who had played an outstanding part in the Punjab Provincial Congress, joined with other ex-colleagues of Gandhi in a movement for the protection and expansion of Islam. Late in 1926, when feelings between the two organizations had risen to a high pitch, Shraddhananda was assassinated, as he lay sick in bed at his home in Delhi.

This extraordinary incident revealed in one stroke how far the country had moved since the signing of the Lucknow Pact only ten

*"The religious use of politics" is Gandhi's own phrase. C.F. Andrews, *Mahatma Gandhi's Ideas*, p. 110.

years before. The abrupt suspension of the non-cooperation campaign in 1922 brought mass political activity to a sudden, confusing, and demoralizing halt. Gandhi realized this was likely to happen, for he wrote at the time that the "drastic reversal" of his program might be "politically unsound and unwise," but he felt driven to it because it was "religiously sound." The outcome for the rest of the decade was a period of dissension and intense bickering among the prominent politicians. Each group tried to justify its own course and place elsewhere the blame for the common failure. Disappointed supporters of the Khilafat recalled that some of their heads had tried to get the Congress to adopt in 1921 a platform calling for full independence, to be won by violence if necessary. Rather belatedly they disparaged Gandhi for personally and vehemently rejecting this proposal. After Turkey abolished the Khilafat in 1924, the Indian movement in its behalf quickly declined and most of its supporters withdrew completely from political life. A number of its chief spokesmen eventually became strongly communal, while others threw in their lot with the Congress as Nationalist Muslims.

The Muslim League had been completely overshadowed in the first post-war years by the Khilafat and non-cooperation movements. Its support of the latter campaign had been confined mainly to resolutions of endorsement. In 1924 the League re-emerged from obscurity, with Jinnah again called upon to serve as president. His principal object now was to reach a new agreement among the leaders of all groups, somewhat similar to the Lucknow Pact of 1916. The embittered political atmosphere did not lend itself easily to this kind of task. Within the League Jinnah was strongly opposed by those who had never favored his work a decade before as an "Ambassador of unity." In their eyes the chief way by which the Muslims of India should advance was along the path charted by Sir Syed Ahmed Khan, namely, loyal cooperation with the British authorities. A number of the proponents of this view themselves held high government posts, a fact which carried considerable weight in a small organization like the League. In 1928, the divergence between the two wings became so great that the League split in two, and was not re-united until 1934.

Most heavily affected by the failure of non-cooperation was the Congress. Whereas at its height Gandhi had projected a membership goal of 10,000,000, he sadly confessed in 1924 that actual enrolment was no more than 200,000. Realizing its weakness the Congress reluctantly retreated from non-cooperation by sanctioning the efforts

of Congressmen to win election to the new Legislative Council, where it was understood they would utilize their posts in opposition to the imperial regime labelled only a few years before as "satanic." Once ensconced in office, however, many Congressmen distinguished themselves mainly in securing special advantages for business interests with which they were connected or which had backed them. Within the Congress the influence of conservative and orthodox Hindu elements rose, as part of the growth of communal feelings in the 1920's. Their activities helped frustrate the efforts of Congress moderates and Muslim Leaguers like Jinnah to agree upon an up-to-date version of the Lucknow Pact.

The communal trend among conservative elements in the Congress and the failure of Congress legislators effectively to hamper the imperial regime, coming as these did in the wake of the abortive non-cooperation campaign, provoked the younger and more militant wing of the Congress to strike out on their own and challenge the older leadership. Led by Jawaharlal Nehru and Subhas Chandra Bose – the latter a fiery Bengali nationalist who was scarcely thirty years old – they surprised their elders by getting the 1927 session of the Congress at Madras to pass unanimously a resolution calling for the "complete independence" of India. Nehru openly avowed himself a socialist and he and Bose devoted much of their time to the rising youth movement and to the problems of industrial labor, among whom a great trade union organizing drive and many strikes took place in 1928.

NEW MOVES BY BIRKENHEAD

The beginnings of a left wing in the Congress caused its older heads no little concern, but before the Left could make too much headway all sections of the Congress were swept up in a new wave of feeling and activity against the imperial authorities which was set off largely by the arrogant policies of Lord Birkenhead, the Tory Secretary of State for India (1924-28) in Stanley Baldwin's Conservative government. Of all the members of the British Cabinet in 1917-18, Birkenhead alone had "distrusted, and indeed, to some extent opposed the Montagu-Chelmsford Report." In his own words, "to me it is frankly inconceivable that India will ever be fit for Dominion self-government." However isolated Birkenhead may have been in the British Cabinet of 1918, his attitude was widely shared at the time by

the British business community in India and by British members of the Indian Civil Service (I.C.S.). Among the latter, the initial hostility to the Reforms was so great that the cry of "White Mutiny" was raised. The Viceroy in 1919 and later the Prime Minister, Lloyd George, gave special reassurances to the I.C.S., going so far as to state in 1922 that "I can see no period when India can dispense with the guidance and the assistance of this small nucleus of the British Civil Service. . . . They are the steel frame of the whole structure."

The spread into the countryside of Congress influence and organization in 1920-22 had deeply perturbed the imperial authorities, who responded with vigorous counter-measures. In part of course these were simply the usual round of short-term repressive measures, arrests, confiscations of property, deportations. Long-range imperial policy was also readjusted, and few opportunities were overlooked for strengthening or creating opponents of the Congress. In contrast to the policy of keeping the Princes separate and disunited in the first half-century after the Rebellion of 1857-58, there was now set up by Royal Proclamation an advisory Chamber of Princes, which met for the first time in 1921, right in the midst of the non-cooperation campaign. In the same year the Government appointed "Untouchables" to seats in the provincial legislative councils. Official attitudes to the Muslims as a community were summed up in 1926 by Lord Olivier, Birkenhead's predecessor as Secretary of State for India, in the following public assertion:

No one with a close acquaintance with Indian affairs will be prepared to deny that on the whole there is a predominant bias in British officialism in India in favour of the Moslem community, partly on the ground of closer sympathy, but more largely as a makeweight against Hindu nationalism.

Particular efforts were made to cultivate the chief Indian business interests so that they would not back the Congress with their influence and their funds. At the end of the war a Government Industrial Commission had depicted quite frankly the backward state of Indian industry, completely exposed as it had been to British competition, and had strongly recommended that Government assistance be extended to foster industrial expansion. The hopes thus raised were confirmed when the Government accepted in 1922 a recommendation to extend protective tariffs to a number of key industries, beginning with steel, in which the enterprising house of Tata had sunk so much capital.

When Birkenhead took office in 1924 he found political life in India at a low ebb and did not hesitate soon to refer rather contemptuously to "the unsubstantial ghost of Indian nationalism." He was impressed with the varieties of "nationality, sect, and religion" in India, and wrote to the Viceroy that "the more it is made obvious that these antagonisms are profound, and affect immense and irreconcilable sections of the population, the more conspicuously is the fact illustrated that we, and we alone, can play the part of composers. . . ." Early in Birkenhead's regime the principle of communal representation, already operative at elections, was extended to recruitment of personnel for the Government services. Birkenhead became best known and most disliked in India for his part in the appointment in 1927 of the Simon Commission. Under the terms of the 1919 Act embodying the Montagu-Chelmsford Reforms, provision had been made for a parliamentary committee to reconsider the working of the reforms at the end of ten years. Soon after he took up the reins at the India Office, Birkenhead decided not to wait for the expiry of the full ten-year period. To do so would involve running the risk that by then a Labor rather than a Conservative Government might be in office in England, and Birkenhead's attitude to the Labor Party was a striking specimen of the Tory's half-genuine and half-posed fear of Labor. In the fall of 1927, therefore, a review commission was appointed, consisting of seven members of Parliament, headed by an outstanding lawyer, Sir John Simon. Despite Birkenhead's candid admission of the purpose of his early appointment of the Simon Commission, the Labor Party, headed by Ramsay MacDonald, agreed to permit two of its M.P.'s to serve on the Commission; one of them was Major Clement Attlee. Birkenhead, in agreement with the Viceroy, Lord Irwin, whom he had picked for this post two years before, deliberately did not nominate any Indians to the Commission. Nationalist opinion in India, quickly beside itself with anger at the idea that a jury of seven British people was to decide India's political future, was further outraged at one of the reasons Birkenhead gave for his decision. "He stated that there were so many mutually hostile sections that it would be quite impossible to choose Indians without offending some of them, and therefore it would be better to leave them out altogether and let British representatives decide these important matters for them."

This exclusion of Indians from the Simon Commission aroused deep resentment throughout India; many Indians considered it ill-

becoming of Birkenhead to "rub in" India's internal conflicts when Britain itself only a few years earlier had been warring with its embittered Sinn Fein opponents in Ireland, and only a few months before had been confronted with a general strike at home.

REACTIONS TO THE SIMON COMMISSION

From the point of view of internal politics in India, Birkenhead's step misfired, for it furnished a grievance around which the most diverse groups could unite. The Congress top leaders, smarting under the vigorous drive forward of their left wing, used the issue to rally the country in a nation-wide boycott of the Simon Commission. Wherever it went in India *hartals* and strikes greeted its members, and their ears resounded with the cry, shouted in unison by tens of thousands of demonstrators, "Simon, go back! Simon, go back!" The leadership of the campaign against the Simon Commission was taken by the Congress with considerable backing from Indian business interests which had just been deeply offended by several economic measures of the Government, including a serious weakening in 1927 of the protective tariff on steel. To the imperial authorities the boycott by the Congress was not unexpected, but they were taken aback when both Hindu and Muslim moderates (who had left the Congress in 1918) and the bulk of the Muslim League headed by Jinnah also decided to snub the Commission. The authorities were caused further grave anxiety by the speed and success of the Congress-led campaign, and the mounting influence of the left wing. The year 1928 witnessed the longest and most bitterly fought strikes in twentieth century India. Political influence of the organized trade unions grew accordingly, and was strikingly revealed at the Christmas, 1928, session of the Congress. The left wing demanded that the Congress place itself unequivocally on record for complete independence and prepare to launch an all-out struggle to achieve it. This the more moderate or right wing leaders opposed, but they might have lost the day if they had not been able to get Gandhi to come out of his self-imposed retirement (1925-28) and carry through a compromise putting off the independence campaign for one year. Perhaps the most remarkable feature of the session, however, was the unique demonstration of Calcutta mill hands. Tens of thousands of them marched in orderly and disciplined procession to the meeting grounds; took over the platform despite appeals from Bose and Jawaharlal Nehru;

proclaimed their support of complete independence; and marched themselves off.

The authorities had hoped to break down the boycott of the Simon Commission by relying, as Birkenhead wrote to Halifax, "on the non-boycotting Moslems; on the depressed community; on the business interests; and on many others..." When these hopes were disappointed, and the reaction to the Simon Commission produced a great awakening in India, the authorities turned as if by second nature to the inevitable accompaniment of previous reform measures, repressive legislation. Under Lord Halifax's aegis the Central Assembly was asked in 1928 to approve a Public Safety Bill, ostensibly to deal with communist activity in India as the root cause of industrial unrest, although, as a standard textbook of British rule in India observes: "no worker in the world has more cause to demand higher wages and better conditions than the Indian textile worker." Congress spokesmen took exception to the loosely worded provisions of the Bill, which they felt might easily be turned against the Congress itself; it was defeated in the Assembly, thanks to the casting vote of the Speaker, the witty, older brother of the right wing Congress machine boss, Vallabhbhai Patel. The Viceroy reacted to this by later issuing the Bill as a special ordinance and by arresting in 1929 several dozens of the leading trade union organizers in the country. The latter – some of whom were well-known communists – were brought to Meerut for India's most spectacular conspiracy trial, where they were charged with "conspiring to deprive the King-Emperor of the sovereignty of British India." This might have been the distant goal of their union work and, even if so, did not seem repugnant to many of the "independence"-minded Congress leaders and the Indian public generally, which contributed liberally to the defense of the prisoners. In any event, as no overt act was charged against the prisoners, the whole case seemed rather flimsy, and certainly not the kind which any British Government would have dared to place before the courts *within* Britain.

As the year 1929 drew to a close, so drew closer the expiry of the year of grace which the Congress in December, 1928, had given to the imperial authorities. The latter took two steps to conciliate the Congress. Lord Halifax was authorized to define more explicitly the Montagu Declaration of 1917. This he did by announcing in October, 1929, that "it is implicit in the Declaration of 1917 that the natural issue of India's constitutional progress, as there contemplated, is the

attainment of Dominion Status.” It was also announced that the work of the Simon Commission, then nearing its end, was to be followed up by a Round Table Conference to be held in London. The Conference would enable representatives from British India and from the princely States to sit together with representatives of the chief British political parties and thrash out the problems of India’s future constitutional status. Delegates from India would attend at the invitation of the British Government rather than as formal representatives of India’s political groups. The outcome of their deliberations would have to be submitted to Parliament before it could be made into law.

Despite the militant temper of the times the Congress leaders headed by Gandhi joined with a group of the best-known moderates in an offer to participate in the forthcoming Round Table Conference, provided it met “not to discuss when Dominion Status is to be established,” but rather “to frame forthwith a scheme of Dominion Constitution for India.” This offer came to nought, as the Viceroy did not have authority from the British Cabinet to put such an interpretation on the Round Table Conference. As the Congress delegates came to Lahore for their 1929 session, its older leaders reluctantly came to the conclusion that another open struggle was unavoidable. The militant tide in the Congress, they noted, had been strengthened and deepened by the rapid onset in 1929 of the great world economic depression, with its catastrophic drop in farm and raw material prices and its paralyzing effect on industry. Gandhi revealed his own fears by pointing to “the present danger of unbridled but secret violence breaking out in many parts of India owing to understandable and pardonable impatience on the part of many youths.” To him the latter were part of the unorganized but growing “party of violence” which was “gaining ground and making itself felt. Its end is the same as mine. But I am convinced that it cannot bring the desired relief to the dumb millions.”

Opposed to the “insignificant” but growing party of unorganized violence stood the might of the British Government in India, which Gandhi termed the party of “organized violence” and which he again labelled as “a curse” to India and an “embrace of death.” The conviction grew upon him that “to sit still would be to give rein to both the forces above-mentioned.” He became convinced that “nothing but unadulterated non-violence can check the organised violence of the British Government.” But the inescapable second civil disobedience campaign thus foreshadowed had in his eyes a dual

objective: "It is my purpose to set in motion that force as well against the organised violent force of the British rule as the unorganised violent force of the growing party of violence."

CIVIL DISOBEDIENCE, 1930-34

With Gandhi at the helm, the Congress annual session at the end of 1929 adopted "complete independence" as its creed and authorized the launching of a new civil disobedience movement in which non-payment of taxes was explicitly sanctioned. To celebrate the new creed and arouse the people for the new struggle, the Congress Working Committee named January 26, 1930 as Indian Independence Day. Immense meetings were held all over India on that date – and on its anniversary ever since – and fervent support was voiced for a Declaration of Independence which began as follows:

We believe that it is the inalienable right of the Indian people, as of any other people to have freedom and to enjoy the fruits of their toil and have the necessities of life, so that they may have full opportunities of growth. We believe also that if any Government deprives a people of these rights and oppresses them, the people have a further right to alter it or abolish it. The British Government in India has not only deprived the Indian people of their freedom but has based itself on the exploitation of the masses, and has ruined India economically, politically, culturally, and spiritually. We believe therefore that India must sever the British connection and attain *Purna Swaraj* or Complete Independence.

The Working Committee next proceeded to turn over the direction of the Congress campaign to Gandhi "and those working with him." Meeting at Gandhi's own headquarters in Gujarat, the Committee stipulated that civil disobedience "should be initiated and controlled by those who believe in non-violence for the purpose of achieving *purna swaraj*, as an article of faith..." This was done, the Committee made clear, because the Congress contained not only those who took non-violence on faith, but also those who accepted non-violence only "as a policy essential in the existing circumstances in the country..."

In its broadest outlines the second civil disobedience campaign of 1930-34 employed the same devices as its predecessor of the previous decade. Chief emphasis was laid on the boycott of Government offices and schools, and on the boycott of liquor, opium, and, especially, foreign cloth. The second campaign, however, began differently from

the first, was fought more intensely in its initial year, and, instead of ending suddenly, turned into a protracted and at times leaderless affair which dragged on to a disorganized and disheartening end. Gandhi launched the campaign in March 1930, by publicly defying the hated Government monopoly of salt. At the head of a group of picked disciples from his retreat near Ahmedabad, he marched southward to the Arabian Sea. On its shores he formally violated the law by making salt, using kettles to boil out the sea water. At this signal the various boycotts were put into operation all over the country with remarkable effectiveness. Popular action, however, went far beyond them. Without waiting for sanction from above, peasants in the United Provinces, Gujarat, and in western Bengal began "no-rent" movements; in eastern Bengal local terrorists raided the Chittagong armory and made off with much ammunition; and in the key city of Peshawar on the northwest frontier, arrests of local leaders produced clashes which so infuriated the populace that they took complete control of the town and actually ran it for ten days.

The magnitude of the mass response to Gandhi's call for civil disobedience alarmed the authorities, who in May, 1930, placed Gandhi himself under arrest. This set off a fresh series of *hartals* and strikes, the most spectacular of which occurred in Sholapur, an important textile town in the southern part of Bombay province. There the aroused mill workers followed the example of Peshawar by setting up a regime of their own and administered the town for a week, yielding control only after martial law was proclaimed. Throughout the rest of 1930 the Government mobilized all its resources to break the Congress movement by repression: the order of the day included police charges on Congress volunteers, firings on unarmed crowds, punitive expeditions into the countryside, confiscation of the property of Congress and Congressmen, and mass imprisonment. All these measures failed to bring the Congress to terms; its unparalleled resistance was stiffened by the extraordinary activity of women of all classes, whether educated or illiterate. Casting off their traditional restraint, they threw themselves into the fight, many taking the lead of mighty processions; in one of these, during the later stages of the campaign, even the elderly mother of Jawaharlal Nehru was knocked down and beaten. In sustained resistance to the authorities first place was taken by India's second largest city, Bombay. Its businessmen directed a comprehensive boycott of all British enterprise while its militant industrial workers, the most highly organized labor group in

India, again and again challenged the police and the military for command of the streets. In their parades the red flag of the trade unions flew side by side with the Congress flag, and in some places even overshadowed it.

While the Civil Disobedience Movement was under way, the Round Table Conference opened in London. For reasons stated earlier, the Congress boycotted the Conference and denounced the delegates who attended. In view of the imposing strength which the Congress was demonstrating all over India, the British Government headed by Labor Premier Ramsay MacDonald came to feel that the whole elaborate process of constitution-making inaugurated by the appointment of the Simon Commission three years earlier would be jeopardized, unless the Congress could be persuaded to reverse its course. At the same time moderates both within and without the Congress became uneasy over the absence of the Congress from the constitutional parley in London and over the growth of unprecedented militancy among the Indian populace at home. With the approval of the British Cabinet the Viceroy, Lord Halifax, set Gandhi free on January 26, 1931, which, curiously enough, was the first anniversary of the Congress "Independence Day." Gandhi's release was followed a little later by a pact between him and the Viceroy, under which Gandhi called off temporarily the Civil Disobedience Movement and, on the basis of some carefully qualified reassurances from the Viceroy, agreed to attend the next session of the Round Table Conference.

This suspension of civil disobedience in March, 1931 had a frustrating and demoralizing effect in the Congress ranks quite similar to the termination of the previous campaign in 1922. These feelings were deepened by Gandhi's fruitless visit to London in the autumn of 1931 as the sole representative of the Congress at the second session of the Round Table Conference. For at the national elections in England during the financial crisis of 1931 – in which Britain went off the gold standard – the Labor Party had been split and badly defeated, and the Conservative Party had emerged as the dominant force in Parliament and the Government. Within the Conservative Party a vociferous minority of extreme Tory diehards had been waging an unceasing campaign against the Government's "weak" and "wrong-headed" policy of negotiating with Gandhi and the Congress. The leader of the diehards, Winston Churchill, had termed Gandhi a "half-naked fakir" and a "malignant subversive fanatic." The diehard agitation stiffened the British stand at the Second Round Table

Conference, and at the end of 1931 Gandhi came back to India empty-handed.

Shortly after his return Gandhi himself was rearrested and Congress was declared an outlaw organization. The Government spared nothing in its efforts to break up the Congress; arrests far exceeded all previous records and were accompanied by systematic confiscation of Congress funds and property. While the Government was disappointed in its hopes of putting a speedy end to civil disobedience, it did disorganize the Congress further and keep it on the defensive. While in prison Gandhi turned his attention away from the main issues and at times allowed the Congress to drift along as best it could. At his instructions, in fact, the Congress in 1933 temporarily dissolved all its mass organizations. Eventually the immense mass civil disobedience of 1930 petered out into civil disobedience on a scattered, *individual* basis, and then was terminated altogether in 1934. The uneven and, to some, disappointing character of Gandhi's leadership led to a division among the Congress stalwarts between those who supported Gandhi unconditionally and those who sought an alternative and more satisfactory leadership. Among the latter some were in favor of a return to the older policy of challenging the Government in the Legislative Councils while others became attracted to socialism as the solution to their difficulties. The widespread dissatisfaction with his non-violence campaign, and the appearance of a trend, especially among the youth, toward socialism, offended Gandhi, who in August, 1934 resigned his membership in the Congress and temporarily withdrew again from the field of politics. In the meantime the Government lifted its ban on the Congress and permitted it to function again. Almost simultaneously, however, it strengthened its ban in practice on India's infant Communist Party by formally proclaiming it illegal.

THE CONSTITUTION OF 1935

Just as the calling off of civil disobedience in 1934 marked the unhappy end of a key phase of Congress history, so the passage by Parliament in the next year of the Government of India Act of 1935 epitomized the uneven course of constitution-making begun with the appointment eight years before of the Simon Commission. The new Act was greeted in India with well-nigh universal hostility. Thus its reception provided an ironic commentary on Lord Birkenhead's

challenge to the major Indian political groups in 1927, (uttered as he brought into being the Simon Commission), to frame among themselves a constitution acceptable to all parties. Birkenhead's challenge was taken up by the Congress, the League, and the Moderates. Although they reached a considerable measure of agreement, their efforts broke down in 1928 over several basic issues. The Congress wanted the India of the future to be one united country with a strong central government. Within the Congress the influence of Hindu communalists was marked; in fact there already existed outside the Congress a right-wing Hindu league (Hindu Mahasabha) whose agitation against the Muslims stiffened the most conservative Hindu elements in the Congress. The Muslim League then consisted of several small disunited groups of prominent political figures without much of a following. Their weakness only emphasized in the minds of many Muslim leaders the need for special safeguards and protection of the Muslim community. One tiny wing of the League, however, was willing to, and did, cooperate with the Simon Commission. Another wing went along with the Congress as "Nationalist Muslims." In between stood Jinnah and his group, who insisted on a central government weaker than that desired by the Congress, and on provincial governments correspondingly stronger. Jinnah also spoke up strongly on behalf of various Muslim claims to special representation in the central legislature and even in the provincial legislatures of the Muslim-majority provinces of Bengal and the Punjab.

The political situation in India was such as to place a premium on intransigence, particularly with a vigilant Secretary of State like Birkenhead ready to capitalize upon Indian disagreements and suitably reward communal extremists who played into his hand. It was not surprising, therefore, that nothing came of the efforts in 1928 of the major parties to reach agreement. Similarly, the Round Table Conferences of 1930-1933 in London served in large measure to spread these disagreements before the rest of the world and to offset the fame of the Congress as India's premier party. Edward Thompson, an outstanding British writer on India, has gone so far as to assert that "during the Round Table Conference there was a rather obvious understanding and alliance between the more intransigent Moslems and certain particularly undemocratic British political circles."

The provisions of the new Constitution of 1935 in the main were

made arbitrarily by the British authorities, following the disagreements at the Round Table Conferences, with some changes inserted while the measure ran the gauntlet of a Parliament in which Winston Churchill and other imperial diehards attacked the Cabinet for every modification proposed in the prevailing system of autocratic, centralized rule in India. In essence the new scheme provided at the center and in the Provinces for a formidable extension of the system of communal and special electorates, breaking up the population of British India into more than a dozen electoral groups. At the same time the new Constitution made possible a tying together of British India and the princely States into a countrywide federation, provided that the various parties entered voluntarily and fulfilled certain pre-conditions. In the federation, however, representation and power out of all proportion to their population, area, or resources were to be given to the States, which made the entire proposal quite distasteful to British India. Thus the most novel part of the new Constitution, an all-India federation in which the princes would have a preponderant voice, was the part most heavily criticized. A. Berriedale Keith, the foremost authority on the constitutional law of the British Empire, placed his views of this kind of federation on record in terms of extraordinary severity:

...on the British side the scheme is favoured in order to provide an element of pure conservatism in order to combat any dangerous elements of democracy contributed by British India.... It is difficult to deny the contention in India that federation was largely evoked by the desire to evade the issue of extending responsible government to the central government of British India.

That part of the new Constitution which received the best reception in British India applied to the government of the provinces. Here the range of authority of the legislatures and of popular ministries responsible to them was significantly extended. The franchise was broadened so that some 11 per cent of the population (or 27 per cent of the adults, male and female) was entitled to vote. These gains, however, were qualified by the creation of upper houses in the major provinces, for which the franchise qualifications were set so high that they virtually guaranteed the control of the second chambers to merchants, landlords, and other well-to-do classes.

Of all the vested interests the one given the most explicit and detailed protection in the Act of 1935 was the community of British

business houses, whether situated in India or working from head offices in the United Kingdom. Particular care was taken to provide that no discrimination could be practised against these houses by Indian legislatures desirous of fostering the growth of indigenous enterprise in India. It was in this connection that the late Neville Chamberlain made his classic remark that the Government had done its best to surround the new Constitution “with all the safeguards the wit of man could devise.”

III: REMOULding OF INdIAN POLITICS, 1935-39

The debacle of the second civil disobedience campaign and the passage by Parliament of a new constitution in the face of the hostility of nearly all elements in Indian political life caused many individuals and groups to lose confidence in the older heads and policies of the Congress. A reassessment of values and objectives took place, accompanied by a search for more effective programs and policies. This was particularly true among the left wing, where discontent and more than a trace of disillusionment had already been manifested in the 'twenties. The significant new development in the middle 'thirties was the determined effort of the left to found or strengthen independent mass organizations among the peasantry and urban labor, and to make them the firm and militant mass base for the Congress.

LABOR AND AGRARIAN MOVEMENTS

The trade union movement, which had been disrupted and disunited in the period of the Meerut Trial (1929-1933, which coincided with the world depression), emerged with renewed vigor in 1934. The strikes of that year in part reflected the appearance of a new and militant leadership – in which as in the 'twenties, a number of Communists were prominent – and in part were simply a phase of the wave of strikes which swept many countries in the aftermath of the great depression. Government and employer attacks on the unions, particularly those in which Communists were active, led to the growth of a movement to band together all the union groups. This goal was achieved in part by 1938 under the leadership of the All-India Trade Union Congress, and completed in 1940.

The growth and strengthening of the trade unions in the 'thirties carried forward a process under way since the end of the first World War. One of the most distinctive new developments of the 'thirties was the formation for the first time of a country-wide peasant league, the All-India Kisan Sabha, through the cooperation of an amalgam of forces quite characteristic of the 'thirties. This included militant Congressmen who had long been ardent Gandhians, a number of

Communists, and a new group called the Congress Socialist Party. They agreed that the Congress, a political organization including all social classes and many shades of opinion, had not satisfied and in its very nature could not meet many of the needs of the great bulk of India's population, the hard-pressed peasantry. The latter required a vehicle of their own through which they could strike back at the landlords and moneylenders. Various local organizations of the peasantry had already campaigned against evictions and for reduction of rents, debts, and taxes; long-term goals included the abolition of landlordism, the cancellation of peasant debts, and a revolutionary redistribution of land. A short- and long-term program of this character was the basis upon which the local bodies were brought together in 1936 as the All-India Kisan Sabha. Its founders stressed the need for close cooperation of the peasantry with the national movement led by the Congress. They emphasized the fact that, compared with the peasantry, the landlords and moneylenders were few and weak, and would not last long if they were not supported by the power of the British authorities in India. It was, therefore, in the economic interest of the peasantry, as well as in their political interest as nationalists, to join with the Congress in ending imperialism in their mother country. The growth of the organized peasant movement is shown in the size of its enrolled membership, which, by the spring of 1938, was stated to have reached 550,000; thereby the peasant league quickly outdistanced the organized urban workers, for in the fall of the same year the Trade Union Congress claimed a membership of some 325,000.

The spread of trade unions and peasant leagues with a radical program and left-wing leadership caused great concern to the solid core of top Congressmen sitting on the Working Committee. They were much more sympathetic to the approach represented by Gandhi when he opposed attacks on the big landlords and called for "better relations between landlords and tenants," to be brought about "by a change of hearts on both sides." Gandhi himself defended the privileged landholders, and their right to their private property; he told a delegation of them in 1934 that "my objective is to reach your hearts and convert you so that you may hold all your property in trust for your tenants and use it primarily for their welfare."

The Congress leadership became even more perturbed when they found that the left wing inside the Congress itself, heartened by the growth of the unions and the peasant leagues, began to operate as a

more coherent and more powerful group than in the 'twenties. The heads of the left wing were an unusual mixture. One group comprised militant Gandhians who had moved on from working with their mentor among the peasantry to an interest in socialism and a demand for complete and drastic agrarian reform. Another important group was the Congress Socialist Party. This was founded in 1934 by young, gifted Congressmen, who, after the defeat of the second civil disobedience movement, came to feel that the Congress needed a fresh orientation and a fresh basis for regaining a mass following. Their aim was to persuade the Congress to adopt as its goal not only the ending of empire but its replacement by a democratic and socialist society. With this objective the Congress Socialists restricted their membership to individuals already enrolled in the Congress, and made particular efforts to win over to their viewpoint prominent personages in the Congress hierarchy. At the same time the Congress Socialists participated actively in many of the organizing drives of the unions and the peasant leagues. The Communists, a party proclaimed illegal and hunted down by the Government, could not operate as a public group, but a small nucleus continued to carry on underground. Attacks upon them by the imperial authorities brought them a measure of popular sympathy, and considerable support for their restoration to legality. A significant number of Communists took part as individuals in work among the peasants and the unions, and a few held places in the Congress Socialist organization and in some of the councils of the National Congress.

The foremost public exponent of the left trend in the Congress was Jawaharlal Nehru, who was re-elected as Congress President in 1936 (having previously held office in 1930). His popularity soared as he toured the country, urging the people to rally behind the Congress, and inspiring Congressmen to go into the villages and help organize the peasantry. Part of Nehru's popularity arose from the forceful way in which he laid before the people an uncompromising land program, one which had figured in an important controversy within the Congress in 1936. At that time Nehru, speaking for the left wing, proposed the collective affiliation of the peasant leagues and trade unions to the Congress. The older Congress heads, while believing in uplift of the poor, had mixed feelings about the growth of organizations of workers and peasants under independent leadership, and strongly opposed the idea of bringing them as units into the Congress. The outcome was that the Congress old guard defeated

Nehru's proposal for affiliation, but simultaneously the Congress adopted an agrarian program incorporating many of the demands formulated by the peasant leagues. The militant character of this key document is shown by its opening words:

This Congress is of opinion that the most important and urgent problem of the country is the appalling poverty, unemployment and indebtedness of the peasantry, fundamentally due to antiquated and repressive land tenure and revenue systems, and intensified in recent years by the great slump in prices of agricultural produce. The final solution of this problem inevitably involves the removal of British imperialistic exploitation, a thorough change of the land tenure and revenue systems and a recognition by the State of its duty to provide work for the rural unemployed masses.

The Congress program of 1936 was of central importance because that year was the eve of the first elections to be held under the new Constitution of 1935. Under the terms of the act the part applying to the provinces was to go into effect first, to be followed later by the federal part for the country as a whole. Thus the Congress program was in fact its election platform. Although it contested the elections, the Congress repeated its denunciations of the Act of 1935 and specifically declared that its aim was "not to submit to this Constitution or to cooperate with it, but to combat it, both inside and outside the legislatures, so as to end it. The Congress does not and will not recognize the right of any external power or authority to dictate the political and economic structure of India. . . ."

Fighting under a radical agrarian and labor program, the Congress went to the polls early in 1937 after the greatest electoral campaigning in Indian history. The results completely confirmed it as the premier political organization in the country; it polled nearly 70 per cent of the votes cast, while all other parties were restricted at best to purely local successes. After its victory, the Congress was badly divided on the question of accepting office. Memories were still fresh of the ineffective, perhaps opportunistic, role of Congressmen who went into the legislatures in the 'twenties. The left wing in the Congress favored a refusal of office and the making of preparations for a new mass struggle against alien rule. Ultimately, however, under a compromise evolved by Gandhi, the Congress took office, after reassurances from the Viceroy that the Governors of the provinces would keep to a minimum their interference with any provincial ministries formed by the Congress. Gandhi's recommendation was based on his hope that

acceptance of office would constitute "a serious attempt on the one hand to avoid bloody revolution and on the other hand to avoid mass civil disobedience on a scale hitherto unattempted."

THE CONGRESS IN OFFICE

The assumption of office in seven provinces by the Congress had an immense psychological effect upon the people. In the eyes of the peasantry, Nehru tells us,

Government was no longer an unknown and intangible monster, separated from him by innumerable layers of officials, who he could not easily approach and much less influence, and who were bent on extracting as much out of him as possible. The seats of the mighty were now occupied by men he had often seen and heard and talked to. Sometimes they had been in prison together, and there was a feeling of comradeship between them.

Feelings of exuberance spread, carrying along the message and raising the prestige of the Congress. Its membership leapt up amazingly, from some 600,000 late in 1936 to more than 3,000,000 early in 1938 and 5,000,000 in 1939.

The initial measures of the new ministries naturally were aimed at relief of the peasantry and improvement in the conditions of urban labor. But they were far from the "thorough change" promised in Congress electioneering. In part this was because the Act of 1935 had parcelled out only a limited share of authority to the provincial ministries, leaving the substance of power in the hands of the Governor-General, the provincial Governors, and the civil services which they so largely controlled. In part, however, the gap between promise and performance resulted from the character of the Congress ministries. They were headed and composed chiefly of seasoned figures in the Congress, who had been designated for their positions by the conservative and right-wing Congressmen who ran the party machinery. The latter had many ties of friendship and kinship with large landlords and wealthy industrialists, some of whom were among the largest contributors of funds to the Congress. As prominent Congressmen travelled from town to town, often as not they put up with their wealthy backers. It is scarcely surprising that they tended to look with disfavor upon popular pressure for drastic restrictions on these vested interests.

The inevitable clash between the ministries and popular

organizations did not take long to develop. Some of the same ministers who upon entering office had received popular acclaim for releasing numerous political prisoners a few of whom had been kept in jail since the first civil disobedience movement back in 1920 – now shocked the country by using the kind of repressive measures which they had previously condemned. Instances were recorded where processions of peasants calling for a faster pace in agrarian reform were fired upon by the police, who were also used to help break strikes in the cities. Constructive measures of the ministries, particularly in the field of education and health, did not awaken the enthusiasm that they might have, when they were accompanied in Bombay, for example, by a severe abridgment of labor's right to strike, and in Bihar, by a public pact between the ministry and the landlords. The growth of dissatisfaction with the performance of the Congress ministries was put strongly in 1938 by Nehru, in a letter to Gandhi:

They are trying to adapt themselves far too much to the old order and trying to justify it. . . . What is far worse is that we are losing the high position that we have built up, with so much labour, in the hearts of the people. We are sinking to the level of ordinary politicians.

The discontent within the Congress erupted in dramatic fashion in 1939. By that time the left wing groups had lost their patience with the provincial governments. They demanded an end to the policy of moderation and drift, fearing that it would eventuate in a compromise with imperialism. The conservatives who dominated the Congress executive body by virtue of the decades of service they had dedicated to the national movement, resented the new mass organizations of the left as radical upstarts which needed to be put in their place. Much to the surprise of the old guard, however, the conservative candidate whom they supported for election as Congress President was defeated, and fiery Subhas Bose was returned to office. This took place on the eve of the annual Congress session in 1939. Here the entrenched power of the old guard manifested itself, and by a majority vote of the assembled delegates Bose was given instructions which implicitly subordinated him to the old guard. This created an impossible situation which Bose ended by handing in his resignation as President. Apparently Bose was ready, if necessary, for a split in the Congress, but so drastic an outcome of the conflict was not desired by any substantial part of the Congress. In the summer of 1939, when Bose called for public protest against several decisions of his triumphant

opponents, he secured only limited support. His breach of Congress discipline resulted in his being barred for three years from holding office in the Congress.

REVIVAL OF THE MUSLIM LEAGUE

While the Congress was passing through this internal conflict, still another crisis was brewing, one which was destined eventually to overshadow all others. This was the problem of Congress' relations with the organized Muslims. The abrupt termination of civil disobedience by Gandhi in 1922 had separated from the Congress the great body of Muslims organized in the Khilafat movement. Matters had not been helped in 1928 by the failure of the Congress and the Muslim League to reach agreement against Birkenhead. The gulf between the Congress and the Muslims was made plain to all in the second civil disobedience movement of 1930-34. In contrast to the united effort of 1920-22, Muslim participation in the second campaign, while important, was on a significantly smaller scale. With the exception of some special groups in the North-West Frontier Province and in the Punjab, Muslim organization generally stood aside. In part this occurred because the Congress, despite its secular platform and non-communal structure, could not escape the markedly Hindu flavor of Gandhi's leadership and doctrines. The latter inspired a distrust among Muslims which was not dispelled by the prominent place in the Congress hierarchy occupied by a number of staunchly nationalist Muslims. The framers of Congress policy were slow to digest unpalatable facts about the degree of their estrangement from the Muslims. Even in the great awakening and organizing drive of 1936-1939, Congress made little progress among the Muslims. When the Congress early in 1938 attained a membership of more than 3 million, only 100,000, or 3.2 per cent, were Muslims.

In its great election drive of 1936-37, the Congress made no special effort to appeal to the Muslims. Of the hundreds of seats set aside for the Muslims under the system of special electorates, the Congress ran candidates for little more than one-tenth. Thus it left the field wide open for rival organizations, whether communal or otherwise. Its neglect was soon capitalized by the Muslim League, which took a fresh lease on life during the election campaign of 1936-37. With Jinnah as its president, the League in 1936 set about transforming itself into a mass political party. Before it could make much headway,

the elections were upon it. The League did rather poorly, gathering only a small fraction of the total Muslim votes cast. Its heads consoled themselves by noting that of the limited number of seats it had *contested*, it had won more than a majority.

The aftermath of the campaign was decisive for the League. The rich barristers and titled landlords who headed the League were astounded and alarmed at the immense popular support won by the Congress under a radical agrarian and labor program. Their uneasiness and fear were shared by other conservative elements in India: wealthy landlords and titled magnates, both Muslim and Hindu, the Princes, and the British commercial community, especially in Calcutta. They realized that the great mass awakening then taking place – largely due to the efforts of the Congress left wing spearheaded by Nehru – would eventually spread to and carry away the Muslim peasantry, unless the latter were soon provided with some alternative outlet. The politicians in the League were further aroused and angered when the Congress refused them offices in the new ministries it established in the provinces where it had won majorities. The only condition on which the Congress would share power and patronage was if the Muslim Leaguers in the Legislature would join the Congress and accept its discipline. The League recalled only too clearly the unequivocal statement of Nehru early in 1937: There are only two forces in India today, “British imperialism and the Congress representing Indian nationalism. . . ;” all other groups would have to line up on one side or the other.

Challenged almost for its right to exist, the League struck back by raising a war chest with contribution from frightened vested interests, and by organizing itself, like the Congress back in 1920, down to the village and hamlet level. The program under which the League went to the Muslim public was a broad one, containing something to appeal to every group. Politically, it reflected the desire of Muslims both for the freedom of India and for reassurance on the status of the Muslim community, by proclaiming as its goal the establishment in India of “a federation of free democratic states” in which full safeguards would be provided for all minorities. Socially, the League announced its concern for popular welfare and for “means of social, economic and political uplift of the Musalmans.” Lest this plank seem too radical to the wealthy backers of the League, Jinnah simultaneously decried talk by the Congress and Nehru of India’s hunger and poverty; this, said Jinnah, was intended to lead the people toward socialistic and

communistic ideas for which India is far from prepared.”

The chief appeal of the League was to middle-class Muslims in the towns. To them the League announced that rule by the Congress in the provinces meant Hindu rule. All lucrative positions, contracts, and special subsidies would go to Congress supporters. The Muslims must band together to protect their rights and assert their strength. If not, they would be overwhelmed and Islam destroyed. The invective which the League used against the Congress was without limit; every rhetorical device of modern mass politics was turned against the League's enemy. The Congress proved vulnerable to this propaganda. Once installed in office, the Congress ministries were the Government; as such they became the object of attacks similar to those which the Congress itself used to direct against the imperial authorities. Secondly, the internal divisions within the Congress left it wide open to the onslaughts of the League. To Muslim peasants the League explained that the half-hearted and hesitant manner in which the Congress was putting into effect its radical agrarian program was due to a desire to protect Hindu landlords. The refusal of the Congress to share office with the League was ascribed to a desire to relegate the Muslim middle class to menial posts and keep the Muslim community politically and economically backward.

The Muslim League campaign proved quite effective in the United Provinces and Bihar, which contained eleven million Muslims, forming a small but important minority. Hundreds of new branches were opened and tens of thousands of new members enrolled. In the Muslim majority areas Jinnah succeeded in recruiting to the League banner the British-favored conservative Muslim premiers who headed the ministries in the key provinces of Bengal and the Punjab. With this added backing and prestige, and with swelling membership rolls, the League proclaimed itself in June 1938 “the one and only authoritative and representative organization of the Indian Muslims.”

Since the Congress professed to speak for India's nationalists of all creeds – Muslims as well as Hindu – the gulf between the two parties widened. Talks and exchanges of letters between the leading figures on both sides failed to achieve any degree of reconciliation. When the Congress in 1938 barred its ranks to members of “communal organizations” including the League, the break was complete.

THE UNTOUCHABLES IN POLITICS

Every historical and linguistic region of India observes its own rules of social gradation and each section has its own roster of castes and tribes considered impure by the rest of the population. Depending upon local custom these groups may be confined to certain menial or "unclean" occupations; barred from the use of public roads, wells, temples or schools; or subjected to other social disabilities. Even within single villages the castes considered untouchable rarely constitute one homogeneous social group. For any area larger than a village it is very difficult to separate off the "depressed" castes from the other castes very low in the social scale.

The constitution of the Depressed Classes into a political entity dates back to 1921 when British Provincial Governors appointed to the legislatures a number of individuals – some of high caste origin – to speak in the name of the Untouchables. Until 1931, however, no official definition of the Depressed Classes had been established. The census of that year inaugurated an all-India category of Exterior Castes, but the criteria for inclusion varied from province to province and even according to the discretion of the individual enumerators. Thus arbitrarily delimited, the Exterior Castes were found to total over fifty millions or about one out of seven Indians.

After the census the imperial authorities moved ahead with plans for detaching the Depressed Classes from the general body politic by organizing them into a new communal electorate. The program ran into formidable opposition from Gandhi. Removal of the social and religious disabilities of the Untouchables had long been one of the central points of Gandhi's teachings. In his view Hinduism neither included nor sanctioned discrimination against the *Harijans* (Gandhi's own term for the degraded castes, literally "Children of God"). He warned repeatedly that continued practise of such discrimination might lead to the breakup of the whole structure of Hinduism. While still in South Africa he had introduced Untouchables into his own household. In the 'twenties he devoted much of his time to campaigning for the right of *Harijans* to enter Hindu temples. He rejected vehemently the idea of treating the Untouchables as a separate community, apart from the rest of the Hindus. In 1932 when the creation of special Depressed Classes constituencies was announced, Gandhi secured their virtual abolition through one of his most famous fasts. Subsequently he intensified his efforts on behalf of the *Harijans*.

In the elections of 1937 Congress candidates won most of the seats reserved for the Depressed Classes except in Bombay Province, the home of the outstanding Untouchable leader, the American-educated Dr. B.R. Ambedkar. The Congress in office included a small number of Untouchables in its ministries. Some legislative progress was registered in improving the civil and social status of the Depressed Classes. On the whole the representatives of the Untouchables were dissatisfied both with the number of positions granted to them and the degree of social reform accomplished.

THE PEOPLE VS. THE PRINCES

Around and between the provinces of British India spread in crazy quilt array the substantial territories left in the hands of the Princes. By the twentieth century these enclaves, twenty large and 500-odd small, contained about a quarter of India's population. The peculiar relation of the rulers to the Paramount Power, which had chosen for reasons of high policy to underwrite their position, allowed them to maintain absolute autocracy without fear of popular revolt. To keep the Princes in line, the imperial authorities stationed in the states a *corps* of high-ranking officials known as Residents, who were responsible directly to the Viceroy. To these Residents was reserved the right to intervene in state affairs in cases of injustice, oppression or gross maladministration; but in practise the right was seldom exercised. On the other hand the Paramount Power accepted full responsibility for protecting the Princes against insurrection arising either out of mis-government or out of widespread demand for popular rule.

Thus buttressed by the whole weight of British power in India, the states with few exceptions preserved into the present the practise of arbitrary personal rule. Advisory councils, legislative bodies or other representative institutions seldom existed to temper the sway of the *rajahs*, *maharajahs*, *thakores*, and *nawabs*, who appointed and dismissed *diwans* (ministers) at will. No clear line separated state funds from the privy purse, which often accounted for a lion's share of the expenditures.

For the people the recognized varieties of forced unpaid labor included construction and repair of roads and palaces, cultivation of special crops as wild animal bait for hunts, and carrying luggage of visitors. Special fees were collected for marriage, for the right to hire

palanquins for wedding processions, and for other religious and social observances. Trade monopolies of such necessities as salt and kerosene were either auctioned off or assigned to royal favorites, and resulted in prices for such commodities much higher than those prevailing in British India. High land revenues and other taxes were augmented by additional exactions on the part of local officials.

Political activity in the states arose slowly and in the face of great obstacles. The All-India States' Peoples' Conference met for the first time in 1927, and persuaded the Congress session of that year to adopt a resolution calling on the Princes to introduce responsible government. Subsequently, the Conference collected and publicized information on abuses and outstanding examples of misrule, and presented the case for the princely subjects to the Round Table Conferences in London. At the time of the second civil disobedience campaign, the ferment in British India was reflected in spontaneous movements for elementary political rights in a number of states, notably Kashmir in 1931. A series of local conferences in all parts of princely India in 1937 signaled a widespread popular awakening in the states. Demands were put forward for abolition of forced labor, for land reform, for civil liberties, and for government responsible to the people. Before long, full-scale conflict was raging between the rulers and their subjects from the Punjab states in the north to Hyderabad and Travancore in the south, and from Rajkot in the west to the Orissa states on the east. The people dramatized their program by marching in processions, holding meetings, and by circularizing pamphlets and newspapers, and in some places by offering *satyagraha*. The princes and diwans struck back by outlawing the popular organizations; banning public assemblies; prohibiting entry into the states of books, journals, and political figures from British India; expelling local leaders or subjecting them to rigorous treatment in jails; and intimidating the populace by fines, seizure of property, police charges into unarmed parades, and, in a number of cases, firing by soldiers. But sustained popular pressure achieved a modest degree of reform in one principedom after another. Obligatory labor services were transmitted into taxes, commissions were appointed to investigate grievances, advisory legislative bodies were authorized, and in a very few instances, the principle of rule by law was incorporated into new constitutions.

Although the States' Peoples' Conference was never formally linked to the Congress, many individual Congressmen in the years after 1934

held posts as national officers of the Conference and assisted in its organizing drives. Within the Congress a sharp controversy developed as to whether the states' peoples' fight should be waged under the Congress banner. Gandhi held out firmly for non-interference by Congress in the affairs of the princes who, he insisted, could yet be persuaded to act in the best interests of their subjects. He argued that the states' peoples' movement would gain self-confidence by standing on its own feet. Gandhi intervened personally, however, by undertaking a fast when trouble broke out at Rajkot, where his own father had served as prime minister. The Congress left attacked the princely system as a whole. They believed with Nehru that:

The Indian Princes have hitched their wagon to the chariot of imperialism. They have both had their day and will go together.

As 1939 drew to a close, the issue of non-interference or aid to the states' peoples was overshadowed by the outbreak of war, and, in fact, it was never resolved.

IV. THE WARTIME CRISIS

The outbreak of war in September, 1939, precipitated a crisis which was not resolved for seven years; and even the solution of September, 1946, was only a temporary one. The coming of war was no surprise to the Congress whose focus of attention had been broadened, largely under Nehru's influence, to a deep concern with India's place in the shifting world scene. Long before Munich the Congress repeatedly attacked appeasement, warning that British foreign policy "has consistently supported the Fascist Powers in Germany, Spain and the Far East, and must therefore largely shoulder the responsibility for the progressive deterioration of the world situation. . . . It is helping in the drift to imperialist war." After Munich the Congress formally dissociated itself from British foreign policy and recorded its opposition to "Imperialism and Fascism alike" and stated its conviction that "world peace and progress require the ending of both of these." The Congress restated its earlier declaration that India would not "permit her man-power and resources to be exploited in the interests of British Imperialism. Nor can India join any war without the express consent of her people."

The British Government realized by the spring of 1939 that war was approaching and, so far as India was concerned, took several preparatory steps. The most important of these was the submission to Parliament of an amending act under which, in time of war, the central government headed by the Governor-General could put an end to the considerable degree of self-government allotted to the provinces by the Act of 1935. The Congress bitterly resented this proposal, for it would have empowered the Governor-General to do away with provincial autonomy, the only part of the Act of 1935 which it had regarded with any degree of favor. Accordingly, even before the Nazis commenced hostilities by invading Poland, the Congress instructed its members in the Central Assembly to boycott the next session of that body.

CONGRESS-BRITISH DEADLOCK

When war actually came, the imperial authorities went ahead as if Congress did not exist and had never indicated any stand on foreign

policy. The Governor-General automatically declared India a belligerent and simultaneously announced that political reform would be suspended for the duration of the conflict. He then proceeded to obtain from the Central Assembly, boycotted by the Congress, sweeping powers to mobilize India for the war. To these and related actions the Congress responded with a solemn reaffirmation of its position and a request that the authorities declare "in unequivocal terms what their war aims are in regard to democracy and imperialism and the new world order that it envisaged." In unmistakable language, the Congress proclaimed that "if the war is to defend the *status quo*, imperialist possessions, colonies, vested interests, and privilege, then India can have nothing to do with it." On the other hand, "if Great Britain fights for the maintenance and extension of democracy, then she must necessarily end imperialism in her own possessions, establish full democracy in India, and the Indian people must have the right of self-determination by framing their own constitution through a Constituent Assembly without external interference. . . ." A free, democratic India, the Congress promised, "will gladly associate herself with other free nations for mutual defence against aggression and for economic cooperation." In any event, declared the Congress finally, the real test of any British declaration of aims would be its application to the present; the only way of convincing the people that a declaration is meant to be honored, is by giving "immediate effect to it to the largest possible extent. . . ."

The Congress statement had little effect upon the Viceroy, Lord Linlithgow, who was busy conducting what seemed to be a round table conference of his own. He interviewed in turn 52 more or less well-known figures in Indian politics, and discerned that there were differences among them. He then announced that he was prepared to set up at the Centre a Consultative Committee representing all parties. The Viceroy would pick its members from panels submitted by the parties and would tell the committee when to meet and what subjects it was to discuss. Lord Linlithgow later revealed that he had considered enlarging his Executive Council by adding Indians to it but had refrained "because of lack of prior agreement between the major communities such as would contribute to harmonious working in the Centre."

The Viceroy's vague declaration and trivial concession were received with widespread dissatisfaction both in India and in England; they were sharply criticized in the House of Commons, where Sir

Stafford Cripps' remarks were the most caustic of all. In India the Congress resented the fact that its requests for a declaration of war aims and for an Indian Constituent Assembly had been brushed aside; further, and perhaps more important, the Congress was angered by the way in which the Viceroy had "dragged in" the communal question to cloud "the main issue": the aims of the war and the character of India's participation. The Congress therefore pronounced the Viceroy's statement "wholly unsatisfactory" and began to talk of a new non-cooperation campaign. As a first step in this direction, the Congress ordered its ministries in all of the eight provinces which the Congress controlled, to resign.

The direction of the Congress's new campaign was turned over to Gandhi. The latter's initial reaction to the war had been one of more implicit trust in Britain than that shown by the Congress Working Committee. Gandhi was reluctant to "embarrass" Britain in its hour of difficulty; his attitude was shared by many important Congressmen who felt that Britain could not long refuse to make significant concessions to India. Gandhi's hesitancy also sprang in part from his clear realization that he could not carry all before him, as he had done two decades earlier in the first civil disobedience movement. The opposition of right and left within the Congress gave him great alarm, and he feared that the Congress had "ceased to be an effective vehicle for launching nation-wide *satyagraha*." Nor did he feel that he could make suitable non-violent use of the independently organized trade unions and peasant leagues. These organizations, in fact, did not wait for his lead. They struck out on their own with anti-war strikes and meetings, which the Government answered by seizing and imprisoning as many of their militant leaders as it could find.

When the Congress met for its annual session in March, 1940, it flatly declared that "Great Britain is carrying on the war fundamentally for imperialist ends and for the preservation and strengthening of her Empire, which is based on the exploitation of the people of India, as well as of other Asiatic and African countries." The Congress hesitated to follow up this sharp declaration, and before the spring of 1940 was over the entire world was stunned by the sudden fall of France to the Nazi invaders. The Congress rushed to express its sympathy with a Britain whose forces had been driven off the European continent and which stood exposed to the formidable menace of Nazi military power. Under such circumstances the Congress felt that Britain would have to break the deadlock in India.

For its part the Congress took a step which offended both the strict supporters of Gandhi and the radical wing led by the Socialists and Communists. It announced that it was prepared to abandon non-violence in the sphere of foreign affairs and cooperate with Britain in the defence of India. This it would do if Britain would declare the complete independence of India, and as a first step in giving effect to such a declaration, form a provisional National Government at the center. This offer was rejected by the British Cabinet, now headed by Winston Churchill, on two grounds: first, the lack of agreement among the chief political elements (i.e., the Congress and the League), and, second, the impossibility in wartime of making any basic alterations in India's political constitution. The latter reason was far from convincing to those who recalled that the Montagu Declaration was issued in 1917, a critical year in the war of 1914-18, followed by the Montagu-Chelmsford Report in the final year of that conflict.

The Congress thereupon withdrew its offer and invited Gandhi to resume direction of its activities.. Toward the end of 1940 Gandhi launched a limited form of *satyagraha*, which began on an individual basis, something like the closing phase of the unsuccessful 1930-34 campaign. The central aim of this campaign, Gandhi declared, was *not* to hinder the war effort, but primarily to register India's moral resistance to its enforced and involuntary participation in the war. Gandhi outlined a procedure under which selected Congressmen would declare publicly, often after giving advance notice to the police, that it was wrong to support the war. Thereupon they would be arrested, and in May, 1941, as many as 14,000 were in prison for offences of this character. The unsatisfactory relations between the Congress and the British authorities led to severe criticism of the Churchill Cabinet in Britain, in India, and in many other parts of the world. Partly to offset this, the Viceroy announced in July 1941 that he would forthwith add more Indians to his executive council and set up an advisory National Defence Council. These steps however, had been under discussion since the first month of the war, and caused no significant alteration in the Indian political scene. The issuance of the Atlantic Charter in August 1941 aroused hope in India that it would provide the key to fresh political advance, but this hope turned into bitterness and cynicism when Churchill announced that in his eyes the Atlantic Charter did not apply to India, but rather primarily to regions under the Nazi yoke.

The devastating Japanese attack upon Pearl Harbor in December,

followed by the speedy conquest of Hong Kong, Singapore, and Rangoon, precipitated rapid political changes in India. Four days before the Japanese entry into the war, but apparently in anticipation of it, the British released Jawaharlal Nehru and other Congressmen who had courted arrest. As after the fall of France in June, 1940, so again in January, 1942, during the humiliating fall to the Japanese of every bastion of the British empire in Southeast Asia, the Congress indicated its willingness to take part in defending and governing the country, provided that its basic demand for freedom was conceded and provided the interim or provisional government would be allocated real power. In anticipation of a fresh round of negotiations – which it was hoped would culminate in an agreement under which the Congress would move into high Government posts and participate actively in the defence of India – Gandhi was again temporarily relieved of the leadership of the Congress. In March, 1942, as the Japanese outflanked Rangoon and approached the eastern land frontier of India itself, Prime Minister Churchill sent a special negotiator to India in the person of one of the members of his own War Cabinet, Sir Stafford Cripps. The latter had indicated for some years a considerable degree of sympathy for the demands of Indian nationalism as voiced by the Congress, and it was widely believed that he would be empowered to make important concessions to the Congress viewpoint.

THE CRIPPS OFFER

When the Cripps offer was examined, it was found that it fell into two parts. One part consisted of a short-term proposal for greater participation, during the remainder of the war, by Indians in the “counsels” of the Government of India and in internal affairs generally. The other part consisted of long-term proposals applying to the post-war period, and held out the prospect that India might emerge fairly soon after the war, if a number of conditions were fulfilled, as one or more Dominions. The fact that the long-term part of the Cripps offer openly referred to the possibility of dividing up India disturbed the Congress leaders, for in their eyes “the unity of India” was both a fact and a condition which it was essential to preserve. Their main attention, however, was focussed on the short-term aspect, for the Congress heads had repeatedly stated that their acid test of British proposals was the extent to which real and effective power would be

transferred forthwith. Examined in this light, the Congress found the Cripps offer seriously deficient. So far as the war was concerned, the Congress was willing to concede that military and strategic plans and operations be handled by Britain, but it did wish to exercise civilian control over many other aspects of military affairs. The great bulk of India's expenditure was for the army, which in 1942 was the largest in modern Indian history. The army, moreover, was of vital importance not only in the external defence of India, but also in internal security; it was in fact the ultimate safeguard of British rule. The types of recruits and the regions from which they would be drawn, the promotion of officers, particularly Indians, and the allocation of contracts for supplies were all subjects in which the Congress was keenly interested. To its dismay, the Congress found that all it would be granted in this sphere under the Cripps offer would be, as summed up in Nehru's phrase, a Ministry for "Canteens and Stationery." Largely over this issue the Cripps Mission broke down in April, 1942, Cripps flew back to London, and the political situation in India rapidly deteriorated.

As later events have testified, the long-term proposals of the British War Cabinet brought by Cripps to India in the spring of 1942 have had a critical effect upon the most recent political developments in India. The Cripps offer conceded to any province of British India the right to stay out of any future Indian dominion that might be formed after the war was over. This provision was a concession to the Muslim League's demand for *Pakistan*, a plank first put forward by the League in 1940. Thus within two years, as Dr. Norman Brown has observed, the British War Cabinet in 1942 "took Pakistan out of the dream world and gave it the appearance of feasibility." The extraordinary speed of the Churchill Government in granting special consideration to the Pakistan demand is best explained by a brief survey of the attitudes of the imperial authorities to the Muslim League and its program from the time the League was re-formed in 1934-36, by Jinnah.

During most of its history since its founding in 1906 the League had a significant degree of encouragement, if not patronage, from the imperial authorities. This became particularly marked after 1935-1937, as the power and membership of the Congress, in the eyes of top Government of India officials, assumed dangerous proportions. Well before the League enjoyed the commanding position which its membership and influence have lately given it among India's Muslims,

it was singled out for preferential treatment. Its officials were treated as though the League already was the only influential organization of Indian Muslims and the sole one whose strength merited recognition by the Government. While this practice was understandable, in view of the Government's desire to have some counterweight against the Congress, it did lead top Government officials into some rather strained positions. Up to the outbreak of war in 1939, the League's main strength was in the United Provinces and other areas where the Muslims were in a minority. The League's relations with the provincial governments of the principal Muslim majority areas, the Punjab and Bengal, were by no means certain or dependable. And, interestingly enough, the League had little influence in the two provinces where Muslims were in the overwhelming majority, Sind and the North-West Frontier Province. The latter had strong ties with the Congress, and the Government of the former often followed a "Nationalist Muslim" line, in association with the Congress. In short, by their policy of favoring the League and its claims, British officials were thus throwing their weight behind an organization whose main strength lay largely in non-Muslim parts of India, that is, provinces where Congress ministries were in power. There can be no doubt that the importance assigned to the League by the imperial authorities helped it to achieve in practice the unique status which as early as 1938 it already claimed to have won among the Muslims. The events of the first few months after the outbreak of war in September, 1939, clearly demonstrated this point.

The League was highly gratified at the importance accorded it by the Governor-General in the critical deliberations which followed the outbreak of war. In refusing the Congress' request for an immediate and substantial transfer of power, and its other basic demands, Lord Linlithgow had explained his action by pointing to the disagreements of India's major *communities*. The principal political figures whom Linlithgow interviewed in making this and subsequent decisions were Gandhi, Jinnah, Nehru, and the Congress president, Dr. Prasad. In effect, therefore, Linlithgow was treating them as though they spoke for *socio-religious* communities and not for *political parties* – the League for the Muslims, the Congress for the Hindus. Furthermore, he was in practice treating them as equals, although in the sole election held throughout British India under the 1935 Constitution, the League had received a little more than 300,000 votes, whereas the Congress had rolled up more than 10,000,000.

When the deadlock between the Governor-General and the Congress resulted in the resignation of the Congress ministries in the provinces, the League was quick to capitalize on the situation to its own advantage. It called upon its members and friends to celebrate, in December, 1939, a "Deliverance Day" of thanksgiving and relief that the "Congress Governments have at last ceased to function." On the day following this League celebration the Governor-General, in a long-delayed reply to a letter from Jinnah, assured him that the Government fully appreciated

the importance of the contentment of the Muslim community to the stability and success of any constitutional developments in India. You need therefore have no fear that the weight which your community's position in India necessarily gives their views will be underrated.

The Congress deeply resented the character of British policy, feeling that the imperial authorities were using the League as a vehicle and excuse for denying the broad demands of the nationalist movement in India. Perhaps the Congress would have made extraordinary concessions to the League, if the conclusion of a Congress-League agreement could have led automatically to an unprecedented transfer of power from Britain. But it was clear that such would not be the case, for well up in the political foreground stood the princes, the privileged landlords, and the special interests of the British commercial community dealing with India. As the *London Times* wrote in a key editorial in January, 1940, even if the Congress and the League were to come to terms tomorrow, "there would still be Indian problems in the fair solution of which this country would be vitally concerned."

As if to demonstrate unmistakably to the world that it was unsound to consider the Congress a communal or "Hindu" body, the Congress on the eve of its annual session in March, 1940, elected as president Maulana Abul Kalam Azad, one of the best-known Muslim figures in India. Congress supporters took care to point out that his election was no novelty, for over the half-century since Congress had been formed in 1885, there had been half a dozen Muslims who had preceded Azad in the highest office of the Congress.

ORIGINS OF PAKISTAN

Azad had scarcely finished delivering his presidential address to the Congress when the Muslim League began its momentous 1940 session at Lahore, where Jinnah presented his famous resolution embodying the demand for "Pakistan." This term has a literary and religious origin, being based on the Persian word *Paki* (which carries many shades of meaning, including pure, sacred, and noble) and *stan*, meaning country; *Pakistan* would therefore mean land of the pure. The idea of grouping all Muslims together in one political unit was adumbrated in the presidential address of Sir Muhammad Iqbal to the Muslim League in 1930. Iqbal, a great poet and probably the most influential Muslim writer since Sir Syed Ahmad Khan, believed in joining the Muslim-majority provinces of northwestern India into a single Muslim self-governing state, which would form one unit of a loose all-India federation. This notion was welcomed and supported by key British figures from the chief imperial security agencies, the Indian Army and the Imperial Police.*

Active political propaganda for the partition of India into two nations was first launched in 1933 by some Indian students at Cambridge University. In opposition to the scheme of federation then being discussed at the Round Table Conference in London, they advanced the slogan of *Pakstan* (later changed to *Pakistan*). This would be the designation of "a distinct nation" based on the 35 million Muslims in "the five northern units of India, viz., Punjab, North-West Frontier Province (Afghan Province), Kashmir, Sind and Baluchistan. . . ." Prominent Muslim League spokesmen at the Round Table Conference paid little heed to what they then considered as "only a student's scheme," impracticable and "chimerical." Even in 1937 Jinnah and the League were still thinking in terms of an united India based on a "federation of free, democratic states." As the gulf between Congress and the League rapidly widened in 1937-40, the League became more and more attracted to the aim of gaining for itself a completely independent territorial entity. When the Congress, at its March, 1940, session, adopted an unmistakably hostile attitude to the empire, and talked menacingly of a third civil disobedience

*Cf. Col. M.L. Ferrar, co-author of *Whither Islam*, London, 1932, and John Coatman, who had served seventeen years in the Imperial Police and had been Information Officer for the Government of India during Lord Halifax's term as Governor-General, in his *Years of Destiny: India, 1926-32*, London, 1933.

campaign – one which perhaps might have proved decisive – the League countered in the same month with the Pakistan resolution placing itself on record for the partition of India.

The formal resolution of the League did not specify clearly what areas were to be included in Pakistan, nor did it indicate what opportunity, if any, would be given to the inhabitants to indicate whether they actually wished to be separated off from the rest of India. Congress reacted vehemently against the demand and the indefinite way in which it had been put forward. To Congress supporters it was clear that the Pakistan issue would furnish fresh and impressive material for the imperial authorities to weave into their arguments against immediate political advance in India. Reaction of the various Muslim groups was quite significant. Even within the League itself it was by no means clear that the demand had been made for more than bargaining purposes; the looseness of the League's language was sometimes explained privately as a device for wringing maximum concessions from the Congress. Warm support for the proposal was confined largely to the area where the League was strongest, the United Provinces. In the chief provinces where the Muslims were a majority – Punjab, Bengal, and Sind – initial support for Pakistan was at best lukewarm.

Active opposition to the proposal came from the North-West Frontier Province and from the Nationalist Muslims affiliated to the Congress. Their views that partition of India would be a national disaster were supported by several Muslim organizations in the Punjab and Sind, by the convocation of Muslim divines in India, and by some of the smaller Muslim sects. Representatives of all these groups, headed by the most influential political figure in Sind, arranged a conference in Delhi shortly after the League passed its Pakistan resolution. In the presence of impressive throngs they condemned the idea of dividing India and rejected the League's claim to be the sole, true voice of India's Muslims.

The deliberations of this conference gave weight to the London *Times'* warning to the imperial authorities earlier in 1940 that the Muslim League was not the only organization with Muslim support in India; in fact, using terms well calculated to appeal to the imperial mind, the *Times* declared that "the League no more represents Moslem India than the Congress represents India as a whole." This and subsequent warnings had little effect upon the Secretary of State for India and the Governor-General, who continued throughout 1940

and 1941 their policy of virtually ignoring all non-League Muslims. The Cripps proposals of March, 1942, simply carried this one step further, along with the allied policy of treating the Congress and League not as political parties but as spokesmen for the Hindu and Muslim communities. As W. Norman Brown has observed, it is not surprising that after the Cripps Mission "the impression got around among Muslims that the British, who after all had the power, felt that Pakistan was reasonable and should be granted – or, at least, that the Churchill government was supporting the Pakistan proposal."

THE "QUIT INDIA" MOVEMENT

The Cripps Mission, it is clear, had a profound effect upon the course of Indian politics. It is, in fact, one of the turning points in the recent history of India. The disappointment and anger of the Congress with Cripps shortly gave way to a painful realization that Britain's wartime defeats in Europe and the Far East, instead of speeding concessions to nationalist opinion in India, were, if anything, leading to a hardening of British policy. Feelings of resentment and frustration quickly mounted and were intensified in the spring of 1942 by the apparent inability of British armed forces to defend India. Japanese divisions overran Burma, Japanese warships closed the Bay of Bengal, and Japanese airplanes bombed harbors and towns of India's east coast. Indians recalled bitterly the age-old imperial argument that Britain could not relinquish its rule to Indians because the latter would be unable to defend themselves. In those uneasy months of 1942 – when the Japanese ranged freely off Alaska, Burma, and the northern coast of Australia, and the Nazis sank shipping along the eastern seaboard of the United States, endangered the Nile Valley, and penetrated the approaches to Stalingrad – some Congressmen began to argue that if India were to be defended, it would have to be done by the Indians themselves.

Other Congressmen, however, were so filled with anti-British passion because of the unhappy course of events from 1939 to 1942 that they demanded an immediate struggle to shake off British control. They paid little heed to the arguments of people like Nehru that a civil disobedience campaign in 1942 would lay the country open to a Japanese invasion and inevitably would have a harmful effect upon the struggle for survival of China, the Soviet Union, and other members of the United Nations. The demand for action became

irresistible when Gandhi came out with his famous cry to the British, "Quit India." To Gandhi this was a strategic moment for the exercise and vindication of his doctrine of non-violent resistance, which would be practised against the Japanese, if they invaded India, which he considered unlikely. At the same time Gandhi symbolized popular frustration and indignation by warning the British that if they did not "quit India" immediately, they would be faced with a new non-cooperation movement. Gandhi's strongest backing came from the conservative side of the Congress. Among middle of the road and left wing sections there was considerable division of opinion. A substantial number of Congressmen, including a small but active group of Congress Socialists, wanted to move ahead rapidly to a new struggle. Nehru and those who supported his broad world outlook were most anxious to avoid playing into the hands of the Japanese. With the example of China and Russia before him, Nehru, urged on particularly by the Communists, had been talking of organizing guerrillas to combat the Japanese and had urged that a "scorched earth" policy be used against them.

After long debate Nehru was won over reluctantly to the new trend, largely by the argument that the ending of British control was a necessary first step in the defense of India and the assuring of its future integrity. On August 8, 1942, the All-India Congress Committee passed its famous "Quit India" resolution, incorporating features of the stands taken by each of the groups within the Congress. The resolution called for the immediate formation of a broadly based provisional government to organize the defense of India by both violent and non-violent means. It repeated the Congress desire not "to jeopardize the defensive capacity of the United Nations." But India could no longer tolerate at home "an imperialist and authoritarian Government. . . ." Gandhi was therefore authorized to start, when he saw fit, "a mass struggle on non-violent lines" to vindicate "India's inalienable right to freedom and independence. . . ." Gandhi indicated publicly that his first step would be to negotiate with the Viceroy; if this met with no success, an appeal to the heads of the principal United Nations was likely to follow. Gandhi himself had reassured Generalissimo Chiang Kai-shek only a little while before that he would "take no hasty action, and whatever action is taken will be governed by the consideration that it should not injure China or encourage Japanese aggression in India or China. I am straining every nerve to avoid a conflict with British authority."

The response of the imperial authorities to the Congress resolution showed that the Congress had not sufficiently allowed for the fact that they were dealing with a War Cabinet headed by such an imperial diehard as Winston Churchill. The latter's Government was in no mood to negotiate.

A few hours after the August 8 resolution was passed, and before Gandhi could even finish drafting his letter to open negotiations with the Viceroy, all of the Congress leaders and most of its top personnel were seized and imprisoned. Congress was at once declared an outlaw organization and before long some 60,000 of its supporters were seized and imprisoned. Congress was at once declared a political organization set off a wave of scattered local uprisings and sporadic sabotage attempts, some of which were spontaneous and some organized by students and Congress Socialists. These were put down with severity by the police and the army; official figures listed 1,028 killed and 3,215 injured. For the remainder of the war the Congress was prevented from functioning and suffered an utter political eclipse. The extraordinary harshness of the Churchill Government's action led informed observers to believe that it was "bent on destroying the Congress as a political force."

BROADENING OF THE MUSLIM LEAGUE

The League meanwhile enjoyed from 1942 to 1945 the period of its most rapid growth and the greatest spread of its influence. This was particularly true in the Muslim majority provinces of Bengal, Punjab, and Sind, where the League really caught on among the masses for the first time. So phenomenal was its growth that in those three provinces alone it was claiming by the end of 1944 a total membership of nearly 900,000. In this process the League, like the Congress back in 1919-20, shed its predominantly urban character and rolled up an impressive following among the peasantry. Simultaneously the League won over to its side or rendered unimportant most of the Muslim organizations and leaders who previously had worked with the Congress; the outstanding exception to this was in the North-West Frontier Province, where pro-Congress sentiment remained strong.

As the popular following of the League grew mightily, conflict inevitably developed between younger middle-class elements, who identified themselves in part with the impoverished Muslim public, and the rich landlords and knighted gentry who controlled the League

ministries in Bengal, Sind, and Punjab. In the latter province the clash over policy and discipline between the ministry and the younger groups became so acute in 1944 that the pro-British Muslim premier and most of the League members of the Punjab Assembly were expelled from the League. A similar conflict raged in Bengal, but there the ministry, aided by British members of the Bengal legislature, managed to remain in office, despite the fact that under its corrupt and incompetent aegis occurred the disastrous Bengal famine of 1943. In Sind the clash was so bitter that in 1945 the Sind Provincial League split into two hostile factions which were reunited only after heavy pressure from Jinnah and the central executive of the League. Interestingly enough, by this time a marked regional nationalism had manifested itself in Sind, as well as in some other parts of India: the cry was heard, "Sind for the Sindhis!"

The dissensions within the League clearly resemble those within the Congress in 1937-39, when the latter's ministries were in office. One striking difference, however, is that the League issues were fought out on a provincial scale rather than on a country-wide basis. On the central level Jinnah and the right-wing landlords continued virtually unchallenged in their tight control of the League machinery. The League produced no one like Jawaharlal Nehru to speak on a national scale for its younger and more progressive groups.

PROGRESS OF THE COMMUNISTS

On a much smaller scale than the League, the years after 1942 were boom times also for India's Communist Party. Its leadership of labor and peasant demonstrations against the war had caused the imperial authorities to hunt it down with renewed vigor after 1939. The ban on the Communists, however, was lifted by the Central Government in June, 1942, no doubt partly because the authorities feared the Congress was moving in the direction of a new non-cooperation campaign and could only guess at its probable dimensions. Restoration of the Communists to legality, it was believed, would reduce the number of the Government's immediate opponents and help to keep up war production. The decision of the central authorities stemmed from the fact that on December 15, 1941, under the influence both of the Japanese onslaught in the Pacific and in Southeast Asia, and of the earlier Nazi assault on the Soviet Union, the Communists had dropped their campaign against the war and raised the new slogan of

“a people’s role in the people’s war.”

When the “Quit India” resolution was under discussion in August, 1942, the handful of Communist members of the All-India Congress Committee voted against it, on the grounds that Congress should not run counter to the anti-fascist war effort. They argued against the local uprisings which broke out after the seizure and imprisonment of the Congress heads. During the years when the bulk of the Congress was immobilized they attracted public notice by their activities on behalf of price control, food rationing, and famine relief. This was considered reprehensible by many Congress supporters, who held that any participation in official programs, even local food committees, was little short of treason to the martyred nationalist movement. But these activities of the Communists helped them to extend their influence in the peasant leagues and trade unions, both of which had lost strength and membership in the first half of the war. The All-India Trade Union Congress quickly regained strength and its membership soon passed the half-million mark. The peasant league, which had fallen to one-third of its pre-war membership, made an even more rapid comeback.

A phase of Communist activity which attracted much attention in the second half of the war was their efforts to form a bridge between the Congress and the League. This they attempted to do through a fresh approach to the key question of nationality, on which the Congress and League completely disagreed. The Congress insisted that there was only one nationality in India, a common *Indian* nationality. The League retorted vehemently that there were two nationalities, the Hindu and the Muslim, which formed the basis for two nations, Hindustan and Pakistan. The position which the Communists elaborated was based in part on the signs of *regional* consciousness which had manifested themselves already both in the League and in the Congress. Within the League provincial feeling was apparent, though it was not until recent times that such cries as “Sind for the Sindhis!” made much headway. As far back as 1920 the Congress under Gandhi’s influence had made concessions to local feelings by scrapping the original boundaries of its provincial units. Instead of keeping the highly arbitrary lines of the provinces of British India (cf. p. 23 above), the Congress adopted a new basis of demarcation chiefly along the lines of the thirteen principal languages of India. These and related signs of regional differentiation formed the basis of the Communist stand in 1942 that there were really eighteen

nationalities in India, each of which merited recognition. If this were accorded, the Communists argued, regional aspirations would be gratified, tendencies toward separatism would diminish, and the basis would be laid of a multi-national union or federation embracing the whole country. In the eyes of the Communists the "democratic core" of the demand for Pakistan was the striving for recognition by such "Muslim nationalities" as those of Sind, West Punjab, East Bengal, Baluchistan, and the North-West Frontier Province.

The League was happy to find that its demand for Pakistan was receiving a measure of support. The leaders of the League were aware that this support was by no means unqualified, but in their propaganda they concentrated on the fact that the Communists – who after all were members of the Congress – conceded the right to autonomy of such areas as Sind, Baluchistan, and part of the Punjab. The League minimized the fact that the expressed aim of the Communists was "a greater and grander unity" than India had ever seen before. In working with the League, the Communists stressed regional aspirations for self-rule, rather than a single Pakistan state. They attempted to reconcile the League and the Congress by calling on the one hand for autonomy for each component part of the proposed Pakistan and on the other for the inclusion of these areas together with the rest of India as a single federation.

The Communist position was avowedly modelled on the handling of the question of nationalities in the Soviet Union. This aspect of Soviet development, particularly in Soviet Asia to the north of the Himalayas, had attracted wide attention in India and had been applauded by such outstanding figures as Rabindranath Tagore and Jawaharlal Nehru. The thesis that India's national make-up was a multiple one to which Soviet nationality practice could be applied evoked only opposition from the moulders of Congress policy and opinion. They charged the Communists with aiding and abetting the League campaign for the "vivisection" of India.

SEARCH FOR CONGRESS-LEAGUE AGREEMENT

During the period that the Congress leadership was in jail several attempts were made by Congressmen who had opposed the August resolution and had not been arrested to find a basis for agreement between the Congress and the League. The basic aim was to set up a popular government at the center, in order to deal more effectively

with the wartime food and clothing shortages that were causing so much suffering. Both the devastating Bengal famine of 1943 and the progress of the Allied liberation of Europe in 1944 served to make more insistent the pressure for a solution to the political impasse. During these same years, while the Congress was paralyzed, the British authorities manifested a much less cordial attitude to the idea of Pakistan. The Viceroy, addressing the Central Legislature early in 1944, proclaimed the desire of His Majesty's Government "to see India a . . . united country." In this setting Jinnah and Gandhi, shortly after the latter's release on grounds of health, came together in September, 1944, for a series of talks. They could not work out a basis for Congress-League cooperation.

The failure of the talks further embittered both sides and deepened the sense of frustration in the country. The top Congressmen remained behind the bars. And in another major pronouncement against the division of India the Viceroy referred disparagingly to Pakistan as a major surgical operation which "political doctors" were inadvisedly prescribing.

Fresh hope was aroused early in 1945 by news of a tentative Congress-League understanding – the Bhulabhai Desai-Liaquat Ali Khan agreement – for the composition of a government at the center. It provided equal representation for the Congress and the League, with a smaller number of posts set aside for the minor groups. The Viceroy left about this time for London, where he engaged in lengthy discussions with Prime Minister Churchill and the India office. Upon his return he announced his intention of forming a new Executive Council whose members would be drawn from the leaders of Indian political life. Instead of granting parity between the Congress and the League – the core of the Desai-Liaquat agreement – the Viceroy stated there would be "equal proportions of Moslems and Caste Hindus." He called a conference at Simla to which he invited representatives of the various groups. Nehru and other imprisoned members of the Congress Working Committee were released so that they might attend.

As soon as the conference met, the issue arose whether the Congress could nominate a Muslim, such as its then president, for a cabinet post. The League insisted that no other organization could nominate Muslims; the Congress rejected the implication that it spoke only for caste Hindus. On this difference the conference broke up. Right to the end of the war the Congress-League deadlock persisted.

V. THE ROAD TO PARTITION

The two events of outstanding importance in India's most recent history have been its sudden partition into two separate countries and the simultaneous withdrawal of British political power. When the war ended in August, 1945, there was little outward indication that fundamental changes would occur rapidly. The first pronouncements about India by the new Labor Government headed by Clement Attlee were cautious affirmations of intent to resume negotiations for constitutional change upon the basis of the unsuccessful Cripps offer. The pace of development, however, was forced by a wave of mass unrest, which expressed the feelings of suffering, bitterness, and frustration pent up during the six long years of war. Unrest first showed itself in the fall and winter of 1945-1946. It has been sustained to the present not only by the political conflicts of the last three years, but by the daily hardships of post-war life. Prices have continually risen, black-marketing has been widespread, industrial lay-offs are common. demobilization and reconversion have been thinly cushioned. Both urban labor and restless peasants have tried to prevent the stabilization of economic conditions at the unsatisfactory pre-war level. Factory owners and landlords, both further enriched by wartime gains, have had the resources to withstand popular pressure. Clashes have been frequent and severe.

After the ban on the Congress was lifted in June, 1945, the organization quickly resumed its position as the chief vehicle for voicing popular discontent. The new Labor Government's failure to make a new departure in British policy toward India was criticized unreservedly by the Congress, which termed Attlee's initial statement as "vague, inadequate, and unsatisfactory." The influence of the Muslim League at the same time continued to spread. The League declared in ever more forthright terms its demand for a real transfer of power and its opposition to rule either by Britain or by the Congress, (the latter invariably being labelled the "Hindu" Congress).

THE "INDIAN NATIONAL ARMY" TRIAL

The most dramatic issue around which popular feeling crystallized in

the closing months of 1945 was that of the "Indian National Army." This army has been associated primarily with the name of Subhas Chandra Bose. The latter became estranged from the Congress in 1939, was later placed under house arrest by the British authorities, and slipped out of India in the winter of 1940-1941. He turned up in Berlin, where he broadcast over the Axis radio that India's freedom could be achieved through the assistance of Britain's enemies, Germany and Japan. Bose became the leading spirit and "Marshal" of the Indian National Army (I.N.A.) with headquarters in Japanese-held Singapore. His troops were drawn largely from Indian soldiers who, along with their British officers, had surrendered to the Japanese early in 1942, at the capture of Singapore. In organizations and leadership the I.N.A. disregarded communal lines. It played a part in 1944-1945 in several engagements against regular troops of the Indian Army. At the end of the war in August, 1945, the I.N.A. men fell into British hands and were moved to prison camps in India. Subhas Bose escaped by air from Rangoon, but later died in an airplane crash in Formosa.

When the Government of India announced its intention of trying some I.N.A. personnel for treason, the Congress at once came to their defense. It recorded the opinion that "it would be a tragedy if these officers, men and women were punished for the offense of having labored however mistakenly for the freedom of India. . . ." Protest meetings under Congress leadership were held all over India. By November, when the first trial of I.N.A. officers took place, public feeling for the I.N.A. had grown to the point where they were the outstanding heroes of the day. I.N.A. poems, portraits, photographs appeared everywhere. In the popular mind the key fact was that the I.N.A. men had actually fought against the British authorities. By November the I.N.A. campaign seemed to be moving under its own momentum, gaining in breadth and intensity as it went. Police firings on student I.N.A. demonstrators led to some of the greatest processions Calcutta had ever seen, with Congress, League, and Communist flags flying together.

The unrest originally set off by the I.N.A. issue spread until it seriously affected even the ultimate safeguards of the empire, the armed services, and the imperial police. In the regular Indian Army substantial funds were collected for the I.N.A. defendants. It became clear that Indian soldiers could not be relied upon, if they were sent into action to curb their fellow-countrymen. Disaffection among the soldiers was quickly overshadowed by events in the air force and the

navy. Strikes by Britons in R.A.F. units, weary of years of service away from the British Isles, helped set off demonstrations by men of the Indian Air Force. Most startling of all, the core of the Indian Navy at headquarters in Bombay, struck *en masse* in February, 1946. The naval strikers appealed for public support which the Communists (whose headquarters are also at Bombay) hastened to organize. In the massive demonstrations that followed, hundreds of Indians were killed and wounded. In Calcutta, clashes between the police and pro-I.N.A. students led to anti-imperial riots of extraordinary intensity. Incredible as it may seem, the police in the imperial capital, Delhi, went on strike. Their action was copied by the police of Patna, the capital of Bihar Province. Even Gurkha soldiers from Nepal, veritable grenadier guards of empire, demonstrated in a cantonment of the Delhi zone against their British officers.

SECOND CRIPPS MISSION

Prime Minister Attlee replied to these unprecedented developments with a dramatic gesture in the direction of the Congress. Waiving his previous statements, he announced in February, 1946, that Sir Stafford Cripps and two other members of the British cabinet would leave shortly for India. They would have full power to work out an immediate constitutional settlement, though of course Parliament would have to approve it. Amplifying this in March, Attlee declared that if India wanted independence she could have it. In words the Congress had long wanted to hear, he declared no minority could be allowed to veto India's progress.

The response of the Congress to the announcement of the Cabinet Mission reflected the new line-up of forces within the Congress in the post-war period. After the release of the Congress heads from prison in the summer of 1945, the "Old Guard" assumed virtually complete control. Various sections of the left wing were either forced out of the Congress or threatened with expulsion if they did not keep in line. The first to go were the Communists. A list of charges was drawn up against them, centering on their opposition both to the August, 1942 resolution and the subsequent local risings, and on their qualified support of the League's Pakistan demand. In December, 1945, the Communists were barred from all elective positions in the Congress, but in anticipation of this the Communists had already resigned almost to a man from the Congress ranks. At the same time the right

of parties like the Congress Socialists to function as organized groups within the Congress was sharply challenged. Open opposition was shown to the peasant leagues and the All-India Trade Union Congress, in both of which the Communists occupied key positions.

Nowhere was the dominance of the Old Guard shown more sharply than in the elections of 1945-46. The imperial authorities had decided to hold these both for the Central and the Provincial Legislatures. In formulating the Congress election platform, the Old Guard sidestepped the economic and social issues which had proved so explosive in the 1930's. Instead they campaigned on one single slogan, a renewed call to the British to "Quit India!" Lest this seem too ominous, the Congress heads openly stated that they were willing to deal with the British either by non-cooperation and direct action if necessary, or with negotiation where possible.

Attlee's announcement of an unprecedented Cabinet Mission was taken by the Congress heads as a clear indication that the method of negotiation would be both fruitful and desirable. Calls from the weakened and divided left wing for an immediate showdown with the British, or for "a final bid for power," were overridden or ignored. The popular response to the I.N.A. issue, far more intense and dramatic than the Congress had expected, had led the Working Committee in December, 1945, to reaffirm its basic belief in non-violence. After the widespread disturbances connected with the Bombay naval mutiny, the Congress heads welcomed the opportunity presented by the Cabinet Mission to return to peaceful negotiations.

The proposals of the British Cabinet Mission of 1946 (led by the same Sir Stafford Cripps who had been sent out four years earlier by the Churchill Government) constituted a striking reversal of the original Cripps scheme. At a period when India was menaced by Japan in the East and the Nazis in the West, the Cripps offer of 1942 had extended a broad right of secession to the component parts of India. In 1946, after hostilities had ceased, the Cabinet Mission proposed, on grounds of defense, that India remain a single united country; the center of such a union, it was provided, would be weak, while three distinct regions were made possible, virtually amounting to a "Hindustan" in the middle, flanked on the sides by an Eastern Pakistan and a Western Pakistan. Because the plan preserved a central government, the Congress leaders overcame their misgivings and accepted it. Thus the Cabinet Mission succeeded in avoiding a test of strength between the Congress and British power in India; by

September, 1946, the Congress had taken office as an interim Government, thus proving that the energies of India's most powerful political party had been turned away from the demonstrations and processions of the previous winter and into quieter constitutional channels.

THE CONGRESS-LEAGUE RUPTURE

In the process of conciliating the Congress, both the Cabinet Mission and later the Viceroy temporarily alienated the Muslim League. The latter body at first had been willing to go along with the Cabinet Mission Plan. In July, 1946, because of supposedly undue concessions to the Congress, the League violently denounced the Viceroy and totally rejected the Cabinet Mission Plan. Speaking for the League, Jinnah said "goodbye to constitutional methods and constitutionalism." The League designated August 16 as "Direct Action Day." The League Premier of Bengal declared the day a public holiday, but in fact it marked the start of the worst communal riots that had ever taken place in Calcutta. From Calcutta they spread eastward in Bengal, and, later, westward up the Ganges Valley through Bihar, parts of the United Provinces and, eventually, into the Punjab. In the Deccan the area most affected was the city of Bombay.

After the Congress-headed Interim Government had definitely taken office, the Viceroy bent his efforts toward conciliating the League. By-passing the Congress, the Viceroy opened direct negotiations with the League and then on his own initiative placed League members in important posts in the Interim Government. The Congress was placated in part when the Viceroy announced that the League would participate in the forthcoming Constituent Assembly. This was the body which was to meet at the end of 1946 to draft India's constitution under the Cabinet Mission Plan. The League, however, denied that it had such an understanding with the Viceroy. When the Constituent Assembly met, the League held aloof. It declared that its only interest was in obtaining an entirely separate state of Pakistan, and it declared the proceedings of the Constituent Assembly, even though called by the Viceroy, would be "invalid and illegal." When the Viceroy, despite this declaration, retained the League members in the Interim Government, the Congress and other non-League groups exploded. The Congress members prepared to resign and threats of precipitate action were voiced.

At this critical moment Prime Minister Attlee again intervened. Speaking in February, 1947 – one year after his announcement of the Cabinet Mission – he proclaimed that by June, 1948, British power in India would be completely withdrawn. But on this occasion Attlee did not repeat his previous assurance that minorities would not be allowed to stand in the way of India's march to freedom. He rather declared that if by June, 1948, a constitution had not been drafted by a Constituent Assembly in which all important parties had worked together, then Britain would have to decide to whom power should be transferred: "whether as a whole to some form of central government, or in some areas to existing provincial governments. . .", or in some other way.

The Attlee announcement in effect reversed the Cabinet Mission decision for a central, unified government and opened the door for the partition of India. The attention of the Congress and the League turned at once to the two provinces which had a Muslim majority but pro-Congress governments: the Punjab and the North-West Frontier Province. Whichever party retained control of those provinces down to June, 1948, would seem certain to hold power when the British withdrew. Violent clashes quickly developed in both disputed areas. Large sections of the great Punjab cities of Lahore, Amritsar, and Rawalpindi were looted and burned to the ground. Violence and destruction of such dimensions, added to the long record of such events since August, 1946, made the Congress, the League, and the British realize that if communal warfare of such a character continued, the country would be ruined for decades to come. The new Viceroy, Lord Mountbatten, now succeeded in persuading the League to accept a diminished version of Pakistan and the Congress to accept the partition of India. The Punjab and Bengal were to be split in two, with the Muslim majority districts of each going to Pakistan and the remaining districts to India. The agreement was embodied in an Act passed by Parliament in July 1947, providing for the creation of two new Dominions, India and Pakistan. The administrative departments, armed forces, funds, staff, and properties of the Government of India were promptly apportioned. As border commissions began to draw boundary lines across Bengal and the Punjab, there began in the latter province one of the greatest, bloodiest, and saddest migrations in all the history of mankind. On August 15, 1947 – just one day short of the anniversary of the League's "Direct Action Day" of August 16, 1946 – the new

Dominions of India and Pakistan formally came into being.

THE LEGACY OF HINDU-MUSLIM CONFLICT

In the most recent past, antagonisms and even warfare between Muslims on the one side and Hindus and Sikhs on the other have occupied the center of the stage in India, and today they throw a dark shadow over the future of the two new dominions. This strife has its roots deep in the history of India, particularly in the peculiar impact of imperial rule by a western power upon the characteristic but disintegrating organization of the older Indian society. As in other older societies, religion in India has not been limited to or even chiefly concerned with beliefs about the nature of the deity or practices of worship. Rather Hinduism and Islam have performed a much wider range of social functions. They still provide the sanction which gives each individual his place in society, his code of social relations, and his guide to personal behavior. Each religion gives a certain sense of community feeling to those born within its ranks and a sense of distinctness and difference from those outside the fold.

There were many wars between Hindu and Moslem powers in the centuries after the first invasion of India by followers of Islam. In the course of the hostilities temples were desecrated and other barbarities committed in the name of religion by both sides. But local Hindu-Muslim riots breaking out in city or country in the calm of peace appear to have originated in the period of British rule. Under Britain's aegis India was linked to Europe by fast steamers, opened up internally by railroads, and drawn into the orbit of world trade as a producer of raw materials. The sweeping revolution of Indian economic, social, and political life which followed, particularly in the decades after the Rebellion of 1857, affected the Muslims at various levels of society quite differently from the Hindus, and pitted important sections of each group against the other more sharply than ever before. The highest level among the Muslims consisted of descendants of landed magnates and nobles of Mughal days. These former grandees soon found themselves outstripped economically by Hindu and Parsi merchants who formed the new urban industrialist and banker class. At the same time they felt themselves the victims of special discrimination by the British, who tended to blame the 1857 Rebellion on the Muslims. With the rise of nationalism among the growing urban upper middle class and the formation of the Indian

National Congress, however, the British in the last quarter of the nineteenth century reversed their preference. From that time forward Government of India officials actively cultivated the loyalty of "the better classes of Mohammedans" as "a source...of strength."*

Below the top level, there has also been a marked difference in development. Among the middle classes, the Hindus, generally speaking, have gained more advantageous positions in trade, in the professions, and in the Government services. By contrast the share of the Muslims has been weak. Among the working population a larger proportion of Muslims than Hindus do the rougher sorts of common labor. Many Muslims work for Hindu factory owners and Sikh public works contractors; the reverse is much less common.

In the countryside the great bulk of the peasantry are Hindus who are subject to Hindu landlords. But in three important areas a large part of the peasantry or agricultural laborers are Muslim while the landowners and moneylenders are Hindu or Hindu and Sikh: East Bengal, Malabar, and the Punjab. In the United Provinces, on the other hand, the peasantry are predominantly Hindu but there are a number of great Muslim landlords.

In the changed Indian scene Hindus and Muslims thus found themselves on opposite sides in such familiar struggles as those of:

peasant	vs.	landlord
debtor	vs.	moneylender
factory worker	vs.	factory owner
hired laborer	vs.	sweatshop owner or contractor
landed aristocrat	vs.	industrialist

By the end of the nineteenth century these economic rivalries were already causing friction between India's two chief communities. But no other single step did so much to poison their relations as the introduction of communal electorates (separate constituencies for each "religious" group) under the reforms of 1909. By Act of Parliament the various "religious communities" were separated off from each other and divided into distinct voting groups. Thereby they were at one stroke fashioned into the basic entities of Indian politics.

The first important series of local riots broke out in Bombay and the United Provinces in the 1870's; and others have occurred in one or

*Sir John Strachey, *India, Its Administration and Progress*, London, 1894, p. 241.

more parts of India in every succeeding decade. The immediate issues over which these riots have erupted are numerous. Among the most important is the question of cow-killing. To orthodox Hindus the cow is a sacred animal whose life must not be taken, whereas to Muslims the cow is one of the animals suitable for sacrifice and eating on great holidays. A second issue is that of the playing of music in the vicinity of mosques, an act which is considered by Muslims in India to be a sacrilege. Hindus, on the other hand, celebrate marriages and many holidays with colorful processions and joyous music. In a period of tension a wedding party passing a mosque can easily set off a serious clash. These causes of provocation have existed for the whole of the thousand years that Muslims and Hindus have lived side by side in India. It is only in the last three quarters of a century that they have become the focus of acute tension and dispute.

The early communal riots were generally sporadic in character; the areas most affected were regions of the severest agrarian distress. During the great wave of nationalist sentiment from 1919 to 1922, communal riots ceased almost altogether, except for the Malabar districts of southernmost India, where they were inextricably mixed with a rising of Muslim agricultural laborers and tenants against their Hindu overlords. British Government of India officials in those years expressed their amazement at what they called the "unprecedented fraternization of Hindus and Muslims." By this time the imperial authorities had come to feel that Hindu-Muslim riots were the natural and expected thing, whereas Hindu-Muslim amity was unexpected and unnatural.

After the unsuccessful end of civil disobedience in 1922, Hindu and Muslim political and religious leaders who had previously cooperated now fell apart and in some cases actually turned against each other. The succeeding years were marked by a great many communal riots in the cities. Communal extremists on both sides formed organized bodies headed by public figures who devoted full time to this work. The newspapers which they printed depended for their circulation upon the virulence of their accounts of the activities of the rival religious community. Each group retained its regular body of hooligans eager for a fight and for the looting that was certain to follow. The most serious urban riot of the 1920's occurred in Bombay in 1928. It originated after the British-owned Burma-Shell Oil Company hired Pathans (Muslims from the North-West Frontier) as strike-breakers against its Hindu workmen. The latter bore a double

resentment against the Pathans, some of whom also functioned as petty moneylenders and usurers in the Bombay area.

During the second civil disobedience movement and indeed during the whole of the 1930's, communal riots were fewer and less severe. A notable exception was provided by the very severe disturbances at Cawnpore in 1931. Here the local authorities were charged by British and Indian witnesses alike with culpable negligence both in their failure to try to prevent the outbreaks or to bring them to an early end. About this time responsible British writers openly charged the imperial authorities with resorting occasionally to the use of *agents provocateurs* to make trouble between Hindus and Moslems.

The revived Muslim League of the 1930's was an avowedly communal organization and anti-Hinduism was its main stock in trade. As the League grew, tension between Muslims and Hindus heightened. The political deadlock of the war years further embittered their relations. In the summer of 1946 the prospect of attaining actual political power over all or part of India dangled as a prize before India's two great parties. At this point organized communal warfare became in effect a recognized tactic of important elements within both camps. Although the Calcutta riots of August, 1946, and subsequent large-scale communal conflicts were officially condemned by the League, the Congress, and the British authorities, the actions or inaction of each went a long way toward providing the setting for the slaughter.

The leaders of the League had built up a large force of volunteers (a "National Guard") somewhat along the lines of the groups which had been organized by the Congress in the civil disobedience campaigns. The Congress, holding office in the Interim Government, continued to proclaim itself a non-communal organization; in any event, it was not prepared to measure its strength with the League because its village and district branches had been shattered in the sequel to the August, 1942 uprisings and never really rebuilt. Some of the most powerful right-wingers in the Congress preferred to work with extremist Hindu organizations in building up an independent counter-force to the League volunteers. Funds and leadership for this Rashtriya Swayam Sevak Sangh (National Voluntary Service Association) were obtained from Hindu industrialists, princes, and landlords. Similarly, in the Punjab a Sikh striking force was rallied by the Sikh princes, landlords, and big contractors.

As these various semi-military bodies moved toward open conflict

with each other, the Indian police and the Indian units of the army, themselves recruited and organized on a communal basis, tended to divide on communal lines and the structure of civil administration began to break down. The imperial authorities seemed indifferent to the consequences of this process and were hesitant to use British troops to preserve law and order. In the course of the official inquiry into the great Calcutta riots of August 1946 – the starting point of the recent phase of communal warfare in India – the British commanding officer in the area revealed that he had delayed the use of troops at the start of the disorders lest both sides drop their quarrel and join against the military.

The emergence of the two new dominions constituted along communal lines left the minorities in each open to the depredations of the most inflamed elements among the majorities. By train, boat, and on foot, harried millions of refugees poured across the new borders. At their inception the two new governments were saddled with the responsibility of absorbing and resettling these hordes of ruined refugees. The tales told by the refugees gave fresh ammunition to the most virulent communalists in both countries, and deepened the atmosphere of suspicion and ill-will on both sides.

In the long run the governments of India and Pakistan cannot achieve stability until they overcome the heritage of communal antagonism. They cannot do this unless they deal successfully with the underlying problems of agrarian reform and healthy industrial development. It remains to be seen whether their governments as presently constituted are able or willing to grapple with problems of such formidable magnitude.

3. The Pattern of Railway Development in India*

India alone of the countries with great railway networks is unindustrialized. In the other leading railway powers – particularly the United States, Russia, Germany, though to a lesser extent in sparsely settled areas like Canada and Australia – the railway was the veritable dynamo of the Industrial Revolution. It has had no such effect in India, even though the country's network by 1947 was 40,500 miles long, counting only first-line main track, or 57,000 miles long, counting just about everything. I propose to sketch the setting in which railways were brought to India and then to review the 75 years of argument and experiment as to which form of enterprise (public, private, or some combination of the two) was best suited to India's railway development. I shall attempt to give a picture of the absolute and comparative magnitude of the Indian railway system as of 1947, and to discuss its economic and historical significance for Britain and for India.¹

The core of the pressure for building railways in India came from London in the 1840's. For a century thereafter the basic policies and ultimate management of the Indian railways issued from London. Unless the fact of India's colonial dependence upon Britain is kept clearly in mind, the pattern of India's railway development cannot be understood. Even the term "colonial" does not properly characterize the relationship of the two countries. India has been much too large, too populous, and too diverse to be simply a colony.² The British themselves referred to it as their "Indian Empire," the prize jewel in the Royal Crown.

The British built India's railways in order to intermesh the

**Far Eastern Quarterly*, XIV (1955), 201-206.

¹The partition of Britain's former Indian Empire in 1947 raised many special problems which affected the railways as well as other fields. The coverage of this article is limited, therefore, mainly to the period 1849-1947.

²India in 1947 comprised an area 17 times larger than British Guiana and a population 800 times more numerous.

economies of the two countries. Simultaneously, they aimed to guarantee British political and military control of the huge dependency. The building of India's railways was an operation on a monumental scale; in reading the history of this undertaking we have to be on the alert for unintended as well as hoped-for consequences. The new railways tied the different parts of India together more closely than ever before. They provided a foundation for modern nationalism, and for a new kind of middle class of merchants, journalists, lawyers and other professionals, all shot through with this nationalism. This new middle class, in fact, became the chief agency through which the Indian Empire eventually met its end.³

Some mention should be made of the role which Indian businessmen played in the early years. Both in Calcutta and in Bombay there were Indian merchants who took an interest in the founding of railways. The most prominent of these was a remarkable Bengali merchant, Dwarkanath Tagore, grandfather of the poet, Rabindranath Tagore. Dwarkanath's firm, Carr, Tagore & Co., is reported to have offered in 1844 to raise one-third of the capital required for a railway from Calcutta northwest to the coalfields above Burdwan. After Dwarkanath's premature death a few years later, the other Indian businessmen played only a passive role. They walked in the shadows of the vigorous British merchants and railway promoters. The conception, promotion, and launching of India's railways were all British.

The promotion of railways in India can be viewed as one phase of the well-known British pressure consequent upon the Industrial Revolution for greater overseas markets and better sources of raw materials. The promoters were adventurous, determined men, sensitive to Britain's needs and to the (profitable) opportunities in India of satisfying them. They were in touch with Britain's merchants and manufacturers to whom they held out the prospect of vast and opulent India becoming, once opened up by railways, a fabulous supply house of cotton and wheat and a huge consumer of textile and other manufactured products of Britain. At the same time they understood the administrative and military services which railways could perform. In putting their case to Government officials they laid emphasis on these prospective functions of the railways.

³This paragraph owes much to the striking remarks of Leland H. Jenks, *Migration of British Capital to 1875* (New York, 1927), Ch. VII.

The railway pioneers hoped not only to transform India's economic life, but the very character of her traditional civilization. Listen to their paean of praise in 1848 for the prospective role of the private enterprise railway system in India:

1. Experience has shown the Governments cannot build railways as well as can private initiative and private drive.
2. The Government of India has failed in the past to attend to public works.
3. India has need of many things besides railways, and can get them only through a "system of associated enterprise." These undertakings are far too great and numerous for Government to enter upon; "the establishment of the Railway system by private enterprise would put the people into possession of a principle of association by which they might all be effected. This is a matter of extreme importance in India, where the energy of individual thought has long been cramped by submission to despotic governments, to irresponsible and venal subordinates, to the ceremonies and priesthood of a highly irrational religion, and to a public opinion founded not on investigation, but on traditional usages and observances."⁴

In order to secure the kind of governmental support they wanted, the railway promoters had to deal both with the East India Company and successive British Cabinets and Parliaments. By the 1840's the East India Company's control over India was slipping; but the dominant groups were determined to hold on to their remaining power (and, particularly, their *patronage* in the matter of appointments to India), as long as they could. So far as an innovation like railways was concerned, the directors of the East India Company were more than properly cautious.

The promoters, they noted, had demanded a virtual governmental guarantee of their annual dividends. When this suggestion was first made in 1844, it was pushed aside by the East India Company, which was not yet ready to talk terms. In those days, the proposal for governmental underwriting of the railway seemed quite improper. By the time the East India Company was ready to do business with the railway companies the depression of 1847-49 had hit England hard. Capital was much more difficult to raise. The promoters insisted more vehemently than before that the Government must put the new

⁴A letter to the Right Honourable Lord John Russell, M.P. . . . on the subject of *Indian Railways* (London, 1848), as cited in my book, *Investment in Empire: British Railway and Steam Shipping Enterprise in India, 1825-1849* (Philadelphia, 1950), 151-52.

railway companies in a position to guarantee the railway shareholders an annual dividend.

In support of their demands, the promoters were able to mobilize an impressive variety of interests including: London merchants and manufacturers desirous of selling more textiles to India and importing more and better raw cotton from the fields of western India; the P. & O. and other shipping interests which desired to obtain regular supplies of coal at Indian ports to bunker the new steam vessels they were operating in the Indian Ocean. The coal was to be brought by rail to Calcutta from the mines of western Bengal. These groups, led by the great mercantile houses trading with the East, wielded large political influence in Parliament. Together they exerted enough pressure on the British Cabinet to persuade that body to make the East India Company come around. The contracts eventually concluded in 1849 between the promoters and the East India Company gave the railway companies better terms than those for which they had originally asked in 1844. The standard contract provided, in essence, that private companies would raise the funds for the railways and manage their operations, while the Government of India would exercise high-level supervision of railway policy and guarantee the private companies against risk of loss.⁵

The initial agreements between the railway promoters and the East India Company were for pitifully small stretches of line. The East Indian Railway Company (E.I.R.) undertook to build and operate a line running a few dozen miles north from Calcutta (on the Howrah side, i.e., along the West bank of the Hoogly River). The E.I.R. hoped eventually to extend this line to the coal mines, 100 miles northwest of Calcutta and subsequently to the well-populated and fertile Ganges Valley. Simultaneously the Great Indian Peninsula Railway Company (G.I.P.) undertook to construct a line running north from Bombay for thirty-five miles to Kalyan. The longer-distance goal of the G.I.P. was to carry their line over the mountains east of Bombay (the Western Ghats) into the rich cotton fields of the Deccan. The purpose in the Government's restricting the E.I.R. and the G.I.P. initially to such short stretches was to have these serve as "experimental" lines. If the first few years' experience with them proved successful, then the E.I.R. and the G.I.P. hoped to go on to the building of the trunk lines of northern and central India.

⁵Details of the basic railway contract may be found in *Investment in Empire*, *op. cit.*, Ch. VII.

The companies, once the initial contracts with the virtually foolproof clause guaranteeing a 5 per cent annual interest had been signed, were able to raise their capital with ease from the investing public in Britain. Between 1850 and 1854 the construction of the two "experimental" lines proceeded without great difficulty. Trial runs on parts of the lines were first undertaken in 1852, and by 1854 both lines were in operation. The Indian Government of the day, headed by the energetic Lord Dalhousie, pressed in 1853 for the early ending of the "experimental" period and the undertaking of a network of trunk lines linking the principal areas of the country. A series of contracts were negotiated in 1854 and afterwards, with the E.I.R., the G.I.P. and several new companies, providing for the construction of half a dozen major lines.

The basic terms of the new agreements were identical with the original contracts signed in 1849. The Government's option to buy out the railways at the end of twenty-five years (therefore in 1874 under the original 1849 contract), now would become operative five years later, i.e., in 1879.

To build the railways the companies hired contractors to undertake particular parts of each line. (Where contractors were not available, or where agreement on suitable terms could not be worked out with them, the companies themselves undertook construction.) Under the terms of the contracts between the railways and the East India Company these agreements could not go into effect without the approval of the Government of India. The contractors available in India and willing to undertake this work were small men with limited resources. Naturally they hoped to gain a handsome profit from their labors. By contrast the Government of India was under explicit instructions from the East India Company to keep costs low. A clash was inevitable and soon developed.

Technically, the Government of India officers deputed to watch over the railways had the right not to sanction expenditure incurred without their approval. The contractors and the railway companies' men did not want to wait for their operations. In practice, they went ahead, did things, and later told the Government what they had done. The Government had the right to refuse to sanction such expenditures. If this right were insisted upon, construction would have barely creaked along. In the early years there were repeated clashes between the builders and the government supervisors. When the Indian Rebellion broke out in 1857, only 300 miles of railways were in

operation. Had more railways been open, the Government would have had a much less difficult time in reasserting its authority. When the British Parliament ordered an inquiry into the progress of railway construction in India – the first of what later turned out to be a long series of Parliamentary and governmental inquiries into the functioning of India's railways – the railway companies had the opportunity for which they were looking.

They painted a black picture of the government harassment to which they had allegedly been subjected. The Parliamentary Committee hearkened to the companies and rebuked the Government of India. The result was that after 1858 the costs incurred in the process of railway construction were checked only by a *post-audit* system. The way was open for much more rapid and much more expensive, if not extravagant, progress. The year 1858 witnessed the removal of yet another fetter on the operation of the private railways, namely, the East India Company itself. As part of the aftermath of the Great Indian Rebellion of 1857-58, Parliament abolished the East India Company and transferred control over India to a new member of the British Cabinet, the Secretary of State for India.

With longer sections to be built, and with a greater emphasis upon speed rather than economy, Indian railway building became attractive to the great British engineers and builders, such as the famous house of Brassey. Contractors like these were willing to operate abroad, however, only with wide margins of profits. The 1860's became boom years for British contractors, builders, engineers, and suppliers of materials to India. Leland Jenks estimates that between 1857 and 1869 about £150 million of British capital was invested in India, principally in railways. In fact, so much British capital flowed out to India that British farmers and domestic business at times complained that money for their own needs was obtainable only at unusually high rates of interest.

The same capital flow placed very heavy burdens upon the limited financial resources of the Government of India. Under the guaranteed interest railway contracts, the Government of India was obligated to make contributions to those railways whose operations did not result in net earnings per years of 5 per cent. Only one of the new railways – the great E.I.R. line from Calcutta to Delhi – paid its way right from the beginning. All the other railways required and secured state aid. By 1869 these advances had totalled about 15 million. The Governor-General and his advisers saw a prospect before them of

endless demands for state support from the rapidly expanding railways. As they saw it, the companies were relying more and more upon state aid rather than upon energetic and efficient conduct of the railways.

Initially the costs of construction of the railways were very high. Since the companies had a guarantee of 5 per cent interest, they had little incentive to economy. Building went ahead both carelessly and lavishly. Where works were defective, they were simply rebuilt. Stations were erected in a grand style, scarcely suited to India's impoverished economy. From the beginning luxury coaches were provided for upper-class passengers. Except for the E.I.R. from Calcutta to Delhi – which for long stretches passed through a railway engineer's paradise: the level plain of the Ganges Valley above Allahabad – the railways for many decades did not pay their way. For two generations after 1850 the railways, instead of contributing to government revenues, acted as a drain on government finances.

The engineers in the service of the Government of India insisted that they could build and operate railways more cheaply than, and at least as efficiently as, the state guaranteed private companies. The Government of India told London that India could not possibly stand up to the burdens which were then being piled rapidly upon her financial resources. Under repeated pressure from the Indian authorities two historic decisions were taken in London in 1869-70: first, any *additional* railways in India would be built and operated by the Government; second, the contracts with the older companies would be revised. To the great disappointment of the Government of India the revised agreements which the Secretary of State for India negotiated in London with all the older railways (except the E.I.R.) gave the companies a new lease on life and terms even more favorable to them than before. This was done with the express hope of stimulating the companies to more genuine and more effective enterprise.

In the 1870's the Government of India had the opportunity of showing what it could do with railways as a public undertaking. Put to the test the Government engineers proved that they could indeed build railways just as well as the private companies and operate them at least as efficiently. The costs of construction of the new lines, in fact, were much lower. But the Government's moment of glory was brief. The worst series of famines in a century afflicted India in the 1870's. The external policy of the new Governor-General, Lord Lytton – sent

out by the Disraeli Cabinet after the Conservative Party's victory at the British elections in 1874 – led to war with Afghanistan. Famines and war drained the Government of India's finances. Repeated loans had to be sought in the London money market, then deep in the depression of the 1870's. The proponents of the private enterprise for the railways took advantage of the Government's difficulties. They proclaimed that the Government of India had no business in the railway field and should get out of it. They won their fight. In 1879 the Secretary of State for India instructed the Government to end its trial of State railways, except for military lines. Thus the valuable experiment of having state-owned and state-operated lines, functioning contemporaneously with privately owned and operated lines, was brought to a close.

In its place came a new type of railway organization in which ownership was largely governmental but management was private. The model for this was furnished by a new set of arrangements negotiated in 1879 by the Secretary of State for India with the E.I.R. Eighty per cent of its shareholders were paid off. Those shareholders who wished to carry on then formed a new company. They retained the name of the old one, and agreed to manage the entire undertaking. Whereas under the old contract they had been guaranteed 5 per cent on their capital, now the guaranteed interest was limited to 4 per cent. Should surplus profits above 4 per cent remain in any year, after all other charges had been met, then the private owners of stock in the new E.I.R. company would get a share of them. The new management directed the setting of rates and fares, the hiring of personnel, and the purchase of stores.

Broadly speaking this type of contract dominated the railway scene from 1880 to 1924. As the stipulated twenty-five year period came to a close for each of the other main lines, the Government exercised its option of purchasing and taking over the railway, just as it had done with the E.I.R. But the new arrangements proved no more satisfactory than the old, except in one very important respect. From about 1900, the railways began to earn their 4 per cent dividends per year. They no longer served as a net drain on the government's resources.

The same basic guaranteed interest railway contracts which had led the railway companies to be casual about their costs of construction also encouraged them to be nonchalant about their traffic. Why should the companies exert themselves to secure the maximum

passenger or freight traffic when, even if their earnings were low, the guaranteed interest would raise their dividends to 4 or 5 per cent? Instead of trying to call forth the largest possible volume of freight and passenger traffic, the railways contented themselves with a relatively high rates and high fares policy. Although in comparison with England the rates and fares in India seemed much lower, the fact was that, taking into consideration relative costs in India and England, the Indian rates and fares were high. The Government of India tried long and hard, but never quite succeeded in persuading the railways that rock-bottom rates would greatly increase the total volume of traffic and swell the companies' own total revenue income and net profits.

Two other aspects of the companies' rates policies are relevant here. Like railways in other parts of the world, the companies quoted reduced rates for the carriage of long-haul bulk goods, particularly from the terminus to the deep interior or vice-versa. The headquarters of most of the major lines were in the great port towns: Calcutta, Bombay, and Madras. In the Indian context this meant that exports from the interior of India sent by rail to the coastal towns for shipment to India's biggest customer, the United Kingdom, were charged these low rates; similarly, with imports from the United Kingdom to the Indian interior. What was a railway practice throughout the world operated in India to deepen the country's economic dependence on the United Kingdom. A related rates practice that benefited Britain more than India stemmed from the fact that each company operated its system as a little empire of its own. Rates were quoted only within that system. There were no through rates involving two or more systems. In fact, to keep traffic *within* their systems, some of the companies charged specially *high* rates on traffic movement over the sections of their lines linking up with other systems. Such compartmentalization did not conduce to the emergence of an integrated Indian economy.

As the railways were a British show, controlled by companies situated in London, their officers and top personnel were overwhelmingly British. The companies were not interested in training Indians for the higher positions, nor in giving them advanced technical training. India remained for many decades in the anomalous position of having the largest railway system in Asia with virtually no Indians in posts of real responsibility. The Britons who ran India's railways were of course used to British equipment and supplies. In maintaining and expanding the network, they placed their orders in England. They did this not just for items available only in England, but also, right

down to the 1920's, for items that were, or could well be, made in India. This "Buy British" policy withheld from India an impetus to industrial development that proved quite effective in other countries.

The unsatisfactory role of the railways in India's economic evolution is by no means to be attributed exclusively to the policies of the private companies. A good deal of the responsibility lies with Government. It was the Government of India which, with the approval of the East India Company, decided upon the 5' 6" gauge as the basic one for India's main lines. To build, equip, and operate lines with so broad a gauge was a much more expensive operation than those on a gauge of 4' 8½" (now standard in most of Europe and America), not to mention the meter gauge, 3' 3⅜", which is also widespread. This difference early became apparent to the Government of India and by the 1870s it succeeded in having some meter gauge lines built in India. This led to a famous "Battle of the Gauges," which was bitterly fought within the Government of India, and between the Government of India and the British Government in London. British military authorities made it plain that for India's main lines running from such seaports as Karachi, Bombay, and Calcutta to India's northern borders, particularly to the historic Northwest Frontier, they were determined to have only broad gauge lines. Some civil and fiscal sections of the Government of India were just as insistent that India could not afford such expensive lines. The military won the main argument. But the other camp got sanction to build meter gauge lines as *supplements* to the chief systems.

India in this way came to possess two main gauges, the 5' 6" and the 3' 3⅜", with all the disadvantages that such a break of gauge implies. (I shall not consider here the two types of mountain and mineral lines, both of which are narrower than the meter gauge.) Clearly, the governmental responsibility in this expensive fiasco was heavy. And that is not the end of the story. Meter gauge lines were built in northern, eastern and western India; also extensively in the deep south and to a limited extent in Central India and the Bombay Deccan. Yet no link was provided between the various meter gauge systems of peninsular and southern India, on the one hand, and those of the more northerly areas. Thus in times of unusual demands for equipment, or in wartime, there was no economical way of shifting meter gauge equipment from the northerly set of systems to the southerly, or vice-versa. Here again the governmental responsibility was heavy.

Railwaymen, by and large, are unsympathetic to roads. Highways take traffic away from the railways. Whether the Indian railways were being managed by companies or, as after 1924, by the Government, the railway heads looked with disfavor upon competition from passenger buses and freight trucks, and acted to oppose their development. In a sense, therefore, the state-owned railways are open to the charge of having helped stunt the growth of a road network in India.

More important for our purposes is the question whether governmental policies may not have impeded the development and efficient functioning of the railways themselves. Between 1880 and 1914 neither the Government of India nor the Secretary of State in London seemed to know just what they wanted to do with a number of the railways, particularly the lesser lines. The forms of railway-owning and railway-managing agencies became so varied that a standard British authority on India was provoked to comment: "To sell a railway one day and buy another the next, to build a railway and then lease it to a company, and at the same time to take over another line on lease, these inconsequential proceedings are sufficient indication of the total want of a systematic policy and good judgment which has characterized the railway administration of the Indian Government."⁶

During the same period the financial policy of the Government toward the chief railways was actually harmful. The initial extravagance of the companies about construction and subsequent questionable procedures in regard to their capital costs, had had an important effect on the contract of 1879 with the E.I.R. (and later contracts of the same type with other companies): the expenditure of the railways on repairs, renewals, extensions, and development was placed under the control of the Finance Department of the Government of India. The primary duty of that Department, however, was to balance the Government's budget. Often the most convenient way of doing this was by taking a greater share of the railways' receipts. In the process, the railways' appropriations for maintenance and improvement would be reduced. By the early twentieth century, in consequence, the railways came to suffer from serious undercapitalization. The existing lines did not provide sufficient

⁶Colonel Chesney, author of *Indian Polity* (London, 1894), as quoted by N. Sanyal, *Development of Indian Railways* (Calcutta, 1930), 79.

service to move the traffic that presented itself. Chronic congestion became normal.⁷

As Indian political opinion developed, the nationalists castigated the railways as foreign bodies with headquarters in London, operating under British direction and primarily in British interests. During World War I the railways proved quite inadequate to the tasks which faced them. In the face of the severe wartime shipping shortage, the railways were called upon to move much traffic which had previously been handled by coastal shipping. Far from bearing this and other wartime burdens, the railways nearly suffered a collapse. The war was followed by a vast wave of intensified nationalism, culminating in the first civil disobedience campaign of 1920-22, led by Gandhi under the banner of the Indian National Congress. In the face of massive public resentment, the railways could no longer be kept in the hands of private interests which were both pampered and foreign.⁸

In 1920 the British authorities appointed the most important of the many commissions of inquiry which have studied India's railway problems. The majority report of this committee, signed by Sir William Acworth – the outstanding British railway economist of the period, and well known for his prepossessions in favor of private management of railways – recommended complete state ownership and state management of India's railways. (Coupled with this was the strong suggestion, which was later adopted and still holds today, that the railway budget and finances be separated from the general budget and finances of the government.)

The Government of India in 1924 inaugurated the current phase of railway organization by implementing the *Acworth Report*. The Government bought out the E.I.R. and placed it under complete state ownership and state management. Thereafter the Government took similar action with every other important line. Today India's railways are all state-owned and state-operated.

⁷Details on these and related matters may be found in my article, "Great Britain and the Development of India's Railways," *Journal of Economic History* (New York, Fall, 1951), 389-402.

⁸From this period interference by Indians with the "alien" railways became a customary mode of political and personal expression. Such interference ranged from widespread nonpurchase of tickets for rail travel, to sitting on the tracks to prevent trains from moving, and to physical destruction not only of rolling stock but of entire marshalling yards. The tradition of interference with the railways has passed on from British India to the current Republic of India. Demonstrators blocking railways played an important part in 1953 in the establishment of a separate state of Andhra.

Very belatedly, therefore, the original proponents of state management – the Government of India officials whose pressure in the 1850's and 1960's for state enterprise had led to the Government construction and operation phase of the 1870's – were vindicated in the 1920's. Under state control Indians themselves were gradually given more responsible positions. The "Buy British" policy was modified in favor of getting more railway items "Made in India." Rates policies were revised. These and related changes had to take place in a difficult setting. The Government had scarcely taken over the E.I.R. and the G.I.P. when the depression of 1929 hit India with extraordinary severity. Before the depression had really lifted, the war of 1939-45 was under way. The war was followed by the partition of India in 1947, with 8,000 miles of the country's railways, in the easternmost and westernmost parts of the subcontinent, being detached in that year to form the railways of the new nation of Pakistan.

A glance at the railway map of India will show that as of 1947 there were seven main lines (mostly broad gauge), and several subsidiary meter gauge lines. The chief system of the country, the East Indian Railway, connected both the Ganges Valley and the Bengal-Bihar coalfields with India's largest port and industrial center, Calcutta. An alternative link between Calcutta and the coalfields was provided by the Bengal-Nagpur Railway, which served the area west and southwest of Calcutta. Bombay, second only to Calcutta as a metropolis, seaport, and industrial center, was linked with Ahmedabad and upper India by the Bombay, Baroda and Central India Railway. India's second most important railway system, the Great Indian Peninsula Railway, served the area to the south, east and northeast of Bombay. Karachi, then India's westernmost port, was connected with the Punjab, Delhi, and the Northwest Frontier by the North Western Railway, which had its headquarters in Lahore. Madras, India's third largest city, is a major port but only a minor industrial town. Its connections with Andhra and the Deccan were provided by the Madras and Southern Mahratta Railway. All of southernmost India, including the Malabar coast, depended on the broad and meter gauge lines of the South Indian Railway, the headquarters of which were in Madras.

In terms of first-line main track India in 1946-47 had 40,500 miles of railways; in terms of total mileage about 57,000. To run these lines India employed in that year nearly 1,050,000 men, who had in their

charge 9,000 locomotives, 225,000 freight cars, and more than 16,000 passenger coaches. Freight carried in 1946-47 amounted to some 26 billion net ton miles, while in the same year total passenger miles were 41.6 billion. These figures may appear impressive at first sight, particularly if we add that, in terms of consumption of energy for railway purposes, India (in 1937) ranked sixth among all the nations of the world.

But, when we compare these with data for other countries, they are much less striking. If we ask how many miles of railway India had in 1937 per 1,000 square miles of area, we get a figure of 26 miles, whereas the United States had 80 and Germany 253. Similarly, if we inquire about total miles in proportion to population, we find that in 1937 India had 0.11 miles per 1,000 head of population, while the United States had 1.4. These, of course, are rather crude indicators. The picture does not change much when we use slightly less crude criteria. If we ask how much freight was carried, in terms of ton-miles per capita, we find that in 1937 the American railroads hauled 2977; the Russian 1134; the German 795; the British 424; the Japanese 138; the Indian 60; and the Chinese (excluding Manchuria and Jehol), 17. Similarly, if we inquire about per capita consumption of energy for railways in 1937, we get a figure for the United States of 1413 (in terms of kilowatt hours per year); Great Britain, 574; Germany, 475; France, 426; U.S.S.R., 391; Japan, 115; India, 42; China (excluding Manchuria and Jehol), 8; and Manchuria and Jehol, 96.⁹

Financially the railways represent the greatest single injection of British capital into India's economy. In the early decades of railway-building, practically all of the capital came from Britain. Out of the first £86 million invested between 1849 and 1869, less than one per cent was subscribed in India. In the 1870's, when the Government of India itself built railways, the position became more complex. A large part of the money which the Government then obtained for railway purposes came from borrowing in London. Simultaneously, the private companies continued to raise money in London. When state management as a basic policy was abandoned in 1879-80, the position

⁹The sources for these data are the Government of India, Ministry of Railways, *Report by the Railway Board on Indian Railways for 1946-47*, 2 vols. (Delhi, 1948); *Energy Resources of the World* (Washington, D.C.: Department of State Publication 3428, 1949); and *Point Four* (Washington, D.C.: Department of State Publication 3719, January 1950). The per capita consumption of energy figures cited above cover both railways and local bunkers.

became even more complicated. On older lines, like the E.I.R. and the G.I.P., most of the shareholders were bought out with annuities. Some, however, obtained compensation in Government of India stock payable in sterling. Simultaneously, additional new private companies were formed in London and received contracts for undertaking to build and operate new lines in India. These raised their capital in Britain. Parallel with this activity the Government of India itself built military railways and famine-prevention railways. It obtained the money for these lines both by borrowing in London (in sterling) and in India (in rupees).

This multi-form activity has made it difficult to trace the character and volume of British railway investment in India. We are safe in asserting, however, that out of a total capital investment of £236 million in railways by 1902, the great bulk was of British origin. Later figures are not easily comparable with this, and will not be cited here in any detail. We may remark, though, that as of 1938-39 the total capital invested in railways was put down as about £550 million. Of this, at least £250 million continued to be held in one form or another in England, either as stock of the remaining companies managed from London, or as part of the debt of the Government of India payable in sterling in London. During the war of 1939-45, Britain incurred very heavy obligations in India. Partly to pay for them, the United Kingdom Government called in all of these British-held assets, and transferred them to the Government of India. Thus ended an extraordinary episode in the history of international investment.

In short, India's railway development is massive, but not of the proportions which would be required by a country whose economy had been modernized. Nonetheless, nothing else in India's history has more profoundly affected the country's economic life.

The steel of the railways, it has been said, pierced the older India to the heart, and the blood ran out. Millions of artisans in villages and towns found that they could not compete with British manufactured goods, the import of which was greatly facilitated by the new railways. These same rail lines, by providing access to the ports and thereby to overseas markets, made possible a great increase in the export of foodstuffs and industrial crops. The reserves of the peasantry were depleted and in the bad years of the 1870's and 1890's devastating famines followed. As against these and related hardships, there were certain compensating advantages. The railways conferred on the British administration an unprecedented power, and thus brought

about an era of peace and, relatively speaking, law and order. The rapidly swelling volume of foreign trade brought new consumers goods to the countryside: matches, kerosene, lanterns, utensils, implements. Increasing exports of agricultural items gave the peasantry funds with which to satisfy their newly kindled wants. Simultaneously there occurred a great increase in coal mining; new ventures were launched for the extraction of mica and manganese. India's port cities became crowded with new traffic brought down by the railways. Modern cotton and jute spinning and weaving mills sprang up. An engineering industry came into being. By the early twentieth century the foundations for an iron and steel industry were being laid. Vegetable oil mills, paper mills, and sugar mills followed. The details of these and related economic developments are available in the standard handbooks of India's modern economic history¹⁰

But this industrial development, which the railways did so much to make possible, has to be seen in proper perspective. Right down to 1947 the number of those gainfully employed in factory industries never amounted to 1.0 per cent of the Indian population. India has remained an overwhelmingly agricultural country, and her agriculture continues to be carried on, by and large, in the same old way. The basic mode of cultivating the soil, the tools and working methods, remain fundamentally unaltered. Meanwhile the total population increased during the century from 1850 to 1950 by approximately 150 millions, or roughly 50 per cent. It is doubtful whether real output increased to so great a degree. Grounds exist, therefore, for suspecting whether there has been any increase at all in per capita national income over the last 100 years; it is not inconceivable that there has been a fall.

That the railways had an extremely disruptive effect upon the older structure of India's economic life is a feature of every textbook dealing with the country's economic evolution. What needs to be brought out more sharply is why the railways had so few of the constructive and modernizing effects promised for them in India by their pioneers. One set of reasons, I think, is the basic type of railway organization embodied in the contracts of 1849 and after. The companies which operated under these terms were centered in London and oriented to British needs. The building up of India's economy for its own sake was

¹⁰See the relevant chapter and bibliography in the symposium edited by W. Norman Brown, *India, Pakistan, Ceylon* (Cornell University Press, 1951).

simply not their concern. In his discussion of this subject Leland Jenks may be right in saying that in the first 75 years of their history the railways destroyed more occupational opportunities than they opened. This is a hard thing to prove, one way or the other. But it is unquestionable that the central policies of the railways tended in this direction. One has only to compare these with the policies pursued by the Japanese in this period, in laying the foundations of their economy. The foreign orientation of India's economic life and the wasteful use of her limited resources stand in sharp contrast to the domestic orientation of Japan's economy and the careful husbanding of the limited capital available to the Japanese. The difference in the pattern of evolution of the two countries is certainly not attributable to a single factor like railway policy. Rather, the difference in railway policy simply illustrates the difference in the direction and emphasis between a country running its own affairs and a dependency whose affairs were being managed by an external power.

Ironically enough, the great initial campaign in the name of private enterprise ended with the introduction into India of railway companies so heavily safeguarded and underwritten by the State as to amount to *semi-public* enterprises. For three quarters of a century after 1849 one or another variant of this "semi-public" guaranteed interest system dominated the railway field. So far as India's economic needs were concerned the *performance* of the railways under that system and its variants was markedly unsatisfactory. Yet the railway companies' slogan of "private enterprise" was so compelling, particularly when bolstered by the political power of the railway interests in London, that it held the field until the 1920's.

Having said this, it may seem paradoxical to go on to say that the Indian railways *probably* would have contributed more to India's indigenous economic development had they been throughout a *state* enterprise. The deficiencies in the functioning of "semi-private" enterprise have already been indicated above. By contrast, the experiment from 1870 to 1880 with the state construction and state operation was quite promising. The private railway companies had to mobilize their full strength to bring that experiment to an early termination, lest its results prove too damaging. I certainly do not wish to suggest by this line of argument that under state enterprise everything would have been better. There is plenty of evidence against such a presumption; but, on balance, state enterprise might well have been a lesser evil than the kind of "private" enterprise whose functioning we have sketched.

Under the modified guaranteed arrangements, India's railways had the worst of both worlds. They had neither private enterprise nor state enterprise. Risk-free private companies with headquarters in London but subject to a variety of controls and directions by the Government of India represented an odd form of private enterprise. A government that could arbitrarily control the *capital* budget of the railways but could not shape the railways' *revenue* policy nor their management practices represented a strange form of state guidance.

It is only today, in a setting of national independence, that the Indian railways show signs of getting on their own feet. They have been reorganized on a geographical basis into five major systems (excluding, of course, the Pakistan Railways). Strenuous efforts are under way to make up the worst arrears in locomotives and rolling stock. Foreign locomotives are being purchased wherever they are available at the best prices. Factories designed eventually to meet all of India's needs for locomotives and locomotive boilers are already in operation. Even so, the railways cannot handle adequately the country's passenger and freight traffic, and, in all probability, it will be many years before they are able to do so without strain.

One of the world's great railway systems was built up in India during the period of British rule. Its operations, however, were oriented toward the satisfaction of British interests rather than those of India. The secondary consequences for India of the introduction of railways were far fewer than they might have been.

Had the British never come to India, the great likelihood is not that India would by now have transformed itself into a leading economic power, but rather that there would have been an even slighter degree of industrialization. As things did happen, India's development under the British has been strangely lopsided. Amidst a general landscape characterized by backwardness and perhaps even retrogression, there stand out a few substantial economic achievements. These have been obtained at a steep cost in terms of social dislocation and mass suffering, and instalments on this cost are still being collected. Compared with England of 1760-1850 or Japan of 1860-1940 India could be said to have paid at least as high a price for industrialization, but to have been able to get delivery of only a salesman's sample.

It would appear that the very economic changes which the railways made possible in India were retarded by the way in which the railways were built and the way they were run. A different type of railway policy might have brought India much further along the path of modernization.

4. The Twentieth Century Trend in Employment in Manufacture in India – as Illustrated by the case of West Bengal*

A great expansion of manufacture in West Bengal during the three decades from 1931 to 1961 has involved, particularly in the most recent years, the installation of advanced modern facilities in a number of key industries. In absolute terms West Bengal's male working force in manufacture has grown impressively but the ratio of men employed in manufacture to the total male labour force appears to have levelled off at 15 in 100. As of 1961, this percentage was four points higher than the average for India; it was exceeded in no major State.

For the rest of this century we may expect massive decennial increments to India's total labour force. During the same years technological developments will presumably continue to raise productivity per worker and accordingly to limit the labour requirements of new manufacturing units. Substantial industrial development in terms of capital outlay and additions to productive capacity may conceivably continue for several decades with little or no increase in the percentage of the working force engaged in manufacture.

Economists who have studied the cases of England, the United States and other pioneer industrial countries have naturally tended to assume that the Indian employment statistics would eventually exhibit the classic Western shift in the percentage of workers out of agriculture and into manufacture. But the setting is entirely different: India's industrialization is taking place in the age of automation. We shall have to work out new standards for evaluating the significance of late-twentieth-century trends in working force distribution among agriculture, manufacture and other sectors.

*This article by Alice and Daniel Thorner was published in *Essays in Econometrics and Planning Presented to Professor P.C. Mahalanobis* (Calcutta, Statistical Publishing Society, 1964).

1. THE CASE OF WEST BENGAL

The thirty years from 1931 to 1961 witnessed an unprecedented industrial development in West Bengal. Through an almost unbroken series of social and political crises – economic depression, civil disobedience, war, famine, communal strife, partition, the ensuing influx of refugees – mills, factories and workshops have been on the increase. In terms of employment, the number of men engaged in manufacture has nearly tripled. We take manufacture to mean all kinds of making and processing from hand-pounding of rice to fabricating of steel, including the production of gas and electricity, but excluding mining, quarrying and construction. Whereas the Census of 1931 recorded little more than half a million male workers under manufacture, the Census of 1961 counted more than one million and a half.

During these three decades the total population of the districts now constituting West Bengal almost doubled. The male working force in all occupations rose from five to ten millions. Since employment in manufacture expanded half again as fast as total employment, the percentage of workers in manufacture rose from 10.4 in 1931 to 15.4 in 1961.

As we can see in Table 1, which also gives comparable figures for other branches of the economy, the absolute number of men engaged in manufacture increased in each decade from 1931 to 1961. By contrast, as we note from Table 2, which presents the same data in relative terms, the whole of the percentage increase appears to have taken place between 1931 and 1941. That is, the percentage stood at 15 from 1941 to 1961.

The sharpness of the rise in the ratio of workers in manufacture to all male workers from 1931 to 1941 may result in part from the tentative nature of the basic data for 1941. The tabulations rest on a heroic reconstruction for the areas included in West Bengal after the 1947 partition of a one-in-fifty sample of the original 1941 Census slips. These, it must be added, had not everywhere been properly extracted and had then been stored for fifteen years in various places under varied conditions. The huge proportion of workers whose activities were insufficiently described to permit classification (almost one of every six) suggests caution in the utilization of the absolute as well as the relative 1941 figures for the various industry groups. Nonetheless, we have no reason to doubt the general upward trend of

the actual number of men at work in manufacture from 1931 to 1941 and from 1941 to 1951.

We are on somewhat firmer ground in dealing with the decade 1951 to 1961. Here also, however, our 1951 figure for manufacture includes an element of estimation. The assumptions and procedures by which we distributed a number of inadequately tabulated "earning dependants" have been described in detail in an earlier article.¹ In any case, they affect less than 75 thousand of the workers we have counted under manufacture, and could, at the very most, have served to inflate the percentage from 14.5 to 15.5.

We are accordingly safe in saying that from 1951 to 1961 more than 400 thousand men were added to West Bengal's working force in manufacture, but that the ratio of workers in manufacture to all male workers remained virtually unchanged. These were, of course, the years of the first two national five-year plans. Expansion of modern industry had become a matter of public policy. The aim of the planners was to get India embarked in every essential field so as to set up a nucleus for continuing economic growth. In West Bengal during the planning period facilities have been added or extended in engineering, chemicals, iron and steel, automobiles, and electrical machinery. To a very considerable degree, these are large-scale, heavy, capital-intensive operations. That is to say, they employ relatively little labour in relation to the investment they require, as compared, for example, with traditional handicrafts. Under these circumstances, the growth in numbers of the industrial labour force is no longer an adequate measure of the extent of industrial development.

Over these same years, 1951 to 1961, the population of West Bengal grew from 25 to 35 millions. About one-sixth of this increase resulted from the 1956 transfer from Bihar to West Bengal of an almost exclusively agricultural border area. For the State as a whole, the total number of male workers rose in the same proportion as the population, that is, nearly 40 per cent. It is a remarkable achievement in the face of the veritable tidal wave of persons available for employment that manufacturing has been able to provide jobs for the same proportion of workers in 1961 as in 1951.

The ratio for West Bengal in 1961 – 15 employed in manufacture

¹Alice Thorner, "Secular Trend in the Indian Economy", *The Economic Weekly*, Bombay, Vol. XIV, Numbers 28, 29 and 30, July 1962, pp. 1155-1165.

out of every 100 men at work – is markedly higher than that for All-India, 11 out of 100. As we see from Table 3, no major State shows exactly as high a percentage as West Bengal, although the figures for Maharashtra, Gujarat, Kerala and Madras are, at first glance, almost identical. The leading position of West Bengal in 1961 comes out more sharply if we consider only those men who work in industries which are not of a household nature. Here West Bengal exceeds all other major States in absolute numbers (nearly 1.25 million men) as well as in ratio (12 of every 100 male workers). This comparison is perhaps the more significant one. Preliminary figures for a number of districts indicate that in Gujarat and Maharashtra, for example, the 1961 Census category of household industry includes a considerable element of livestock-keeping, an activity normally taken for analytic purposes together with agriculture.² It is in any case the non-household sector which encompasses all large- and medium-scale enterprises, and in effect all modern industry. With less than one-twelfth of the national population, West Bengal in 1961 claimed almost one-sixth of India's male working force in industry carried on outside the household framework.

West Bengal's rapid recent growth in manufacture contrasts sharply with a period of both absolute and relative stagnation from 1911 to 1931. Over these two decades population rose slowly and the male working force as counted in the Census actually declined. The number of men employed in manufacture fluctuated between 500 and 600 thousand; the percentage oscillated between 10 and 11 of every 100 workers. (See Tables 1 and 2.)

2. THE TREND FOR INDIA

The two-phase aspect of the relative trend for employment in manufacture in West Bengal from 1911 to 1961 may also be observed in the national percentages for India (present boundaries). We read in Table 4 that in the Indian Union as a whole, from 1911 to 1931, the number of manufacturing workers for every 100 men at work dropped from 9 to 8; by 1961, the figure had risen to 11. In absolute terms, the

²See "Population on the Land in the 1961 Census of Population", address delivered by Asok Mitra, I.C.S., Registrar General, to the Annual General Conference of the Indian Society of Agricultural Statistics, New Delhi, 30th December, 1962, p. 41, Table 13.

strength of the male working force in manufacture in India remained at about 7 million from 1911 through 1931, and doubled between 1931 and 1961. The upward turn in West Bengal since 1931 has been more pronounced than for the Indian Union, but the direction of change is the same. When we examine the trends which can be established for other States, however, we find several quite different patterns.

The most striking dissimilarity to West Bengal is provided by the ratios for manufacture in East Bengal (Pakistan) which were as low as 4 per 100 in 1911 and appeared to have sunk to 3 per 100 in 1951. To the west and south in Bihar and Orissa, the manufacture percentages also remained very modest (4 and 5) from 1911 through 1951; the 1961 figure finally indicates a rise to 7 per cent. Uttar Pradesh and the old Central Provinces (no longer existing as a State) provide illustrations of practically stationary trends at a slightly higher level – from 8 to 9 per cent. In Rajasthan we have a different story: here the percentages fell steadily decade by decade from an initial 13 in 1911 to 9 in 1951 and again in 1961.

On the other hand, we note a course of development parallel to that of West Bengal in the old Bombay Presidency and the former undivided Madras State. As in West Bengal, an absolute drop in the industrial working force from 1911 to 1931 was followed by a significant increase in the thirties and forties. In the Bombay Presidency the addition of 786 thousand male workers between 1931 and 1951 raised the percentage in manufacture from 11 to 15. For Madras an increment of 431 thousand workers brought the manufacture ratio up from 9 to 12. We are not in a position to follow the comparison up to 1961, since the old Bombay Presidency is now divided among Maharashtra, Gujarat, Madhya Pradesh, and Mysore; while large areas of the former Madras State are now incorporated in Andhra Pradesh and Kerala. Among these successor States, however, we have already seen in Table 3 that in 1961 Maharashtra, Gujarat, Kerala, and Madras had percentages above the national average both for all male workers in manufacture and for workers in “other than household” industries.

The great expansion of manufacture in West Bengal from 1931 to 1961 is thus not unique in the Indian scene, although it is the most striking case. Industrial growth over these three decades in Bengal, Bombay, Madras (also Delhi, Punjab, and certain areas of other States) has served to push up the national ratio of men engaged in

manufacture to all male workers, despite the fact that the trend in so large a State as Uttar Pradesh remains at a dead level. The finding that the percentage figure for West Bengal has remained at about 15 since 1941 is particularly significant with regard to our expectations for the future trends in India as a whole.

As we have observed, the absolute increase in West Bengal's industrial labour force has been very substantial, but the same has been true for the population and accordingly for the total number of persons who must find employment in one sector or another. Moreover, the newer types of equipment which have been installed as part of India's plan to establish a core of modern industry have characteristically a high productivity, which means that their labour requirements are low.

Yet it is precisely this kind of equipment which India must continue to install if she is to emerge from economic "backwardness" into the age of automation. Only by pushing forward to higher levels in industry, science, and technology can India hope to develop a modern mentality among her people and to revolutionize the productivity of her agriculture.

Following the pioneer study carried out by Colin Clark in the 1930's economists have got into the habit of conceiving economic development statistically as the shift in the *percentage* distribution of the labour force away from agriculture toward industry and services. This pattern has been well documented for such countries as England, France, Germany, Japan, and the United States. It is only natural that scholars and government planners should have expected that, as countries like India in their turn embarked upon the course of industrialization, the working force statistics would conform to the same trend. From this viewpoint, the levelling off in the percentage of the working force engaged in manufacture while the percentage in agriculture remains high is the very antithesis of economic development. So long as we remain within this framework of reference, India's current prospect would be such as to cause dismay.

In point of fact, India's current development is taking place in a manner quite different from that which characterized the industrial growth of Western Europe and North America, and in a quite different setting. India as a late-comer to the process of industrialization can take advantage of the scientific and technological progress of Europe. Productivity per worker in recently installed manufacturing units in India is, accordingly, very much greater than was possible one

TABLE 1. WEST BENGAL WORKING FORCE DISTRIBUTION BY INDUSTRY, 1911-1961

	1911	1921	1931	1941	1951	1961
	(all figures for males only)					
Total population	8,829,118	8,780,938	9,558,126	11,493,300	13,345,441	18,599,144
Working force	5,549,315	5,352,978	4,999,095	4,846,600	7,220,091	10,040,239
Agriculture	3,659,603	3,431,345	3,071,823	2,094,200	3,735,756	—
Fishing	55,119	38,651	36,877	34,400	42,224	5,777,282
Mining	40,280	38,245	24,959	57,500	85,804	—
Construction	57,926	45,756	31,300	49,200	101,882	146,625
Manufacture	542,778	609,369	520,962	740,600	1,119,277	1,543,521
Transport	256,981	183,797	154,400	211,500	353,440	386,873
Trade	324,559	323,697	332,611	405,900	778,704	836,365
Public force and administration	65,497	63,352	62,854	98,100	158,173	—
Professions and liberal Arts	100,332	95,255	102,254	136,600	202,903	—
Domestic services	173,409	182,211	200,670	149,900	206,148	1,349,573
Other services	61,233	62,327	58,026	85,100	121,601	—
Insufficiently described	211,598	278,973	402,350	783,600	314,170	—

Sources: Census Tables for 1911, 1921, 1931, and 1951, Y sample data for 1941 from Census Paper No. 4 of 1956; Census of 1961, Paper No. 1 of 1962.

Note: See Appendix for discussion of sources and methods.

hundred and fifty years ago in the early stages of the industrial revolution. There are also important differences of scale. For example, the population of India today exceeds by more than forty times that of England and Wales in 1800.

What we must realize is that the economic trends of the nineteenth century in Western Europe and North America are no longer adequate guides to the path lying before India in the 1970's, 80's and 90's. Technological developments in production seem to render obsolete our standards for evaluating the significance of changes of working force distribution. We shall have to work out new criteria valid for the age of automation.

As the development in West Bengal has demonstrated, India has well started along the road to becoming a strong industrial power, and shows many signs of continuing in this direction. But from 1961 onward, India's progress toward modernization is unlikely to be reflected in a sizeable increase in the *percentage* of workers engaged in manufacture.

TABLE 2. WEST BENGAL : PERCENTAGE DISTRIBUTION OF MALE WORKING FORCE BY INDUSTRY GROUPS 1911-1961

	1911	1921	1931	1941	1951	1961
All workers	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture, fishing and mining	67.7	65.5	62.7	45.1	53.5	57.5
Construction	1.0	1.0	0.6	1.0	1.4	1.5
Manufacture	9.8	11.4	10.4	15.3	15.5	15.4
Transport	4.6	3.4	3.1	4.4	4.9	3.9
Trade	5.8	6.0	6.7	8.4	10.8	8.3
Services	7.2	7.5	8.5	9.7	9.5	13.4
General labour and insufficiently described	3.8	5.2	8.0	16.2	4.2	

Sources: See Table 1.

TABLE 3. MALE WORKERS ENGAGED IN MANUFACTURE:
SELECTED STATES, 1961

State	Male workers engaged in manufacture					
	Absolute numbers in 000			Per 100 male workers		
	Total	House- hold industry	Other industry	Total	House- hold industry	Other industry
INDIA	14,534	7,366	7,168	11.3	5.7	5.6
West Bengal	1,544	300	1,244	15.4	3.0	12.4
Maharashtra	1,752	560	1,192	15.0	4.8	10.2
Gujarat	843	343	500	14.8	6.0	8.8
Kerala	582	189	393	14.7	4.8	10.0
Madras	1,432	681	751	14.2	6.7	7.4

Source: Census of India, Paper No. 1 of 1962 – pp. 395, 397, 408, 409, 412, 413.

Note: See Appendix for definition of household industry.

TABLE 4. WORKERS IN MANUFACTURE PER 100 MALE WORKERS
SELECTED STATES, 1911-1961

	1911	1921	1931	1941	1951	1961
INDIAN UNION	9.2	8.7	8.4	—	9.9	11.3
West Bengal	9.8	11.4	10.4	15.3	15.5	15.4
East Bengal (Pakistan)	4.2	4.6	4.1	—	3.4	—
Bihar and Orissa	5.2	4.8	4.6	4.5	4.4	7.4
Uttar Pradesh	8.7	7.7	8.0	7.4	8.3	8.9
Central Provinces	8.6	8.2	7.6	7.5	8.9	—
Rajasthan	12.6	11.1	10.2	—	8.6	8.9
Bombay Presidency	11.8	11.8	11.2	—	14.8	—
Undivided Madras	9.5	8.2	8.9	9.3	11.8	—

Sources: Census of India, 1911-1961; Census of Pakistan, 1951.

Note: See Appendix for geographical details on each State.

Appendix

The figures in Tables 1, 2, 3, and 4 have all been calculated from decennial census returns. We have used the data for males only since the reports for women in India, as elsewhere, are much less reliable. For West Bengal in particular the number of women counted as workers has always been small. From one and one-third million in 1911, the figure has increased only to one and one-half million by 1961. Since the female population doubled over the half century the proportion of workers reported among all women has dropped from one of every six to less than one of every ten.

In "working force" we have included all men recorded as having an occupation except for those whose activities could clearly be identified as non-productive, for example: "house proprietors", "non-cultivating landlords", and "beggars". For 1931 we have excluded from the working force all persons listed as "working dependants" in "Domestic Service". It appears that, in certain States, a misleading census instruction led to the counting under this rubric of persons (mostly women) engaged in housekeeping in their own homes. For West Bengal the number of men subtracted for this reason was 15,597, all in Burdwan District.

In the 1951 data for East Bengal which is taken from the Census of Pakistan, the total working force upon which the percentage for manufacture has been calculated excludes armed forces and non-citizens, but includes the unemployed.

The "total population" of West Bengal in the years 1911 through 1931 has been obtained by subtracting from the total for Bengal the divisions and districts cut off in 1947 to form East Bengal. In the case of the four districts which were divided between India and Pakistan we approximated the exact position by treating the whole of Malda and Jalpaiguri districts as part of West Bengal, assigning the whole of Dinajpur to East Bengal, and halving the figures for Nadia. The number of men in each of the industrial categories was calculated in the same way. In preparing entries for 1941 we utilized the *Y* sample tabulations both for total population and for occupational details. These tabulations were, as we have explained, unavoidably incomplete; they do not cover Bankura, Midnapur, West Dinajpur, and Cooch Bihar, slips for which were found missing or defective. Sikkim is included in the West Bengal figures for 1911, 1921, and 1931, but not subsequently. The total number of men censused in Sikkim in those years, however, never reached 60,000. For 1951 and 1961, the population of West Bengal has been taken directly from the census volumes. Thus, the 1951 figures have *not* been adjusted to include the inhabitants of the areas transferred to West Bengal from Bihar in 1956, and now constituting the Purulia District.

The industrial categories are the standard ones commonly used in historical studies of labour force trends. Agriculture includes plantations, animal husbandry, forestry and hunting. Mining includes quarrying. Trade includes banking and insurance as well as all wholesale and retail commerce. But craftsmen listed in the census volumes as "makers and sellers" of clay pots or sandals have been counted under manufacture. "Other services" are

hotelkeeping, laundering, barbering, and scavenging.

We have used the rubric "insufficiently described" for workers who could not be assigned to a more precise category on the basis of the description given. The greatest number of these in each year were listed as "general labourers"; these workers were almost certainly engaged at least for part of the time as agricultural labourers. The problems involved in the treatment of this group have been discussed in the article by one of us already cited. This article also explains the procedure by which the numbers of general labourers and insufficiently described were estimated for 1951. For the purposes of the present study, we may simply say it is very unlikely that any important number of the "insufficiently described" in any year were in fact engaged in manufacture.

"Household industry" was defined in the Census of 1961 to comprise industries operated on a household scale in which all or most of the work was done by the family members. In urban areas only those manufacture or processing activities were to be included which were carried on in the home itself; the household industry in rural areas might be located anywhere within the village.

The 1911, 1921, and 1931 figures for the Indian Union in Table 4 were calculated by subtracting from the All-India totals for those years the data for the districts which were subsequently separated off to form Burma and Pakistan. The East Bengal figures for 1911, 1921, and 1931 include Sylhet District, then part of Assam. Bihar and Orissa figures for 1911, 1921, and 1931 do not include Ganjam District which was then part of Madras. The 1941 Bihar and Orissa figures exclude the Mayurbhanj and Patna States. No territorial changes of any importance affect the series for Uttar Pradesh (formerly United Provinces); the 1941 data exclude Benares State (not Benares District). Rajasthan (formerly Rajputana) includes Ajmer only in 1961. Central Provinces includes Berar in all years. This area constituted Madhya Pradesh in 1951, but should not be confused with the present State of that name. Bombay Presidency refers to the old British Districts of Bombay plus the former feudatories; these covered the whole of the Kathiawad peninsula and were scattered through Gujarat, Konkan, the Bombay Deccan and the Bombay Karnatak. Baroda has been included; Sind, Khairpur State and Aden excluded. In 1951 this area comprised the States of Bombay, Saurashtra, and Kutch. The percentages for Undivided Madras include Ganjam District up through 1931 but not subsequently. The absolute increase of 430,000 in the male working force in manufacture in Madras from 1931 to 1951 has been calculated without Ganjam.

The analysis of census data on which this article rests was begun in Bombay in the years 1958-1960 under the auspices of the Indian Statistical Institute, and has been subsequently continued in Paris in the Sixth Section of the Ecole Pratique des Hautes Etudes of the Sorbonne.

5. Consequences of Independence for the Economy of India*

The score of years since India became independent in 1947 have witnessed a veritable industrial revolution. India has equipped herself with the basic facilities required for practically every branch of modern manufacture. An impressive corps of Indian engineers, scientists, and technicians has been brought into being. Leading powers of both the capitalist and the Soviet worlds have advanced credits, equipment, and know-how. Of all the countries of the "Tiers Monde", India has developed the broadest industrial base.¹ Advanced techniques have also been introduced in a segment of Indian agriculture. In sharp contrast to the relative stagnation in the decades before independence, foodgrains output since 1947 has nearly doubled. Real wages and real absolute levels of living have risen slowly but perceptibly for even the worst-off strata.

India's decision to industrialize was embodied in the series of Five Year Plans which began in 1951. Steel mills, machine-building works, newsprint, pharmaceutical, heavy electrical, and other factories owned and operated by government corporations accounted for about half of industrial investment during the first three Plans. The other half of the new industrial plant is in the hands of private enterprises: domestic, foreign, or a combination of the two. The existence of the public sector gives the Government a certain leverage in dealing with private business; the fact that several of the large public enterprises have a poor performance record leaves the Government vulnerable to criticism. Industrialization has strengthened India's position in relation

*Unpublished paper presented at the Second European Conference on Modern South Asian Studies, Copenhagen, July 3-7, 1970.

¹To appreciate the extent to which the Indian economy has been transformed, one has only to compare the present position with that described in 1951 by D.R. Gadgil in his chapter, "Indian Economic Organization", prepared for the volume edited by Simon Kuznets and others, *Economic Growth: Brazil, India, Japan* (Durham, N.C.: Duke University Press, 1955).

with other countries. But the burden of overseas obligations incurred during the past two decades restricts her independence of action.

Under the pre-war imperial regime, the Indian economy was essentially agricultural, dominated by small-scale peasant production. So much was skimmed from the harvests in the form of rent and usury that the mass of petty cultivators had neither the incentive nor the resources to put in improvements. The only manufactured products of any importance were cotton and jute textile, plus modest quantities of steel and cement. There were some railway and engineering workshops whose chief activity was repair and maintenance. Practically, all advanced industrial products were imported; Britain was the chief supplier.

For half a century or more before 1947, nationalist leaders had blamed the British regime for India's poverty. They charged that India's industrial development had been retarded in the interest of keeping up the level of British exports. In the late 1930's the Indian National Congress decided the time had come to present an alternative policy. A planning committee under the leadership of Jawaharlal Nehru elaborated a series of proposals for the development of a modern industrial economy in a free India. Although business interests were well represented in the committee and sub-committees, the documents which were issued reflected the acute concern with social justice characteristic of the period. They decried economic privilege, and called in principle for government ownership or control of all key industries. Nonetheless, free enterprise was not ruled out.

Shortly after coming to power in 1947, the Congress declared that land, minerals, and other means of production should belong to the community and be regulated by the community in its own interest. A report issued in January 1948, by a Congress sub-committee with Nehru as chairman proposed that new large-scale industries should be publicly owned and that the transfer of existing large-scale undertakings from private to public ownership should begin after a period of five years.

The official resolution on industrial policy issued by the Ministry of Industry and Supply in April, 1948, was much less radical. In it the Government reaffirmed the need for comprehensive national planning and the right of the state to own and operate all basic industries. Specifically, however, the Government designated as state monopolies only arms and railways, which it had inherited from the British regime, and atomic energy. Government reserved for itself the

exclusive right to *new* undertakings in only a handful of other fields: coal, oil, iron and steel, aircraft, ship-building, telephones, and telecommunications. In addition, about twenty basic industries were listed as subject to Governmental regulation. But these and all other unspecified industrial fields remained open both to private enterprise and to state ventures. In fact, the Government specifically offered aid to private companies wishing to expand their activities.

Simultaneously, it was announced that foreign enterprise and foreign capital would be welcome in India, subject in each case to government restrictions. As a general rule, major interest and effective control should remain in Indian hands. Although foreign nationals could initially be employed as managers, supervising engineers and consultants, they would be required eventually to hand over charge to Indians.

The long-foreshadowed national Planning Commission was set up in 1950 with Nehru himself as Chairman. In order to take advantage of the British offer of aid under the Colombo Plan, the Commission put together a series of proposals and projects, on some of which work had already started or was well under way. This list formed the core of the first Five Year Plan (1951-1956), the initial draft of which was issued in July, 1951. Although a cautious document, the Five Year Plan held out the hope that India was now on the road to overcoming her poverty and backwardness. The publicity centred on the goals of planning was surely not unrelated to the forthcoming general elections scheduled for the winter of 1951-52.

In size, the First Plan was modest; its emphasis was on agriculture, electric power, irrigation, and flood control. On the industrial side, the Plan included the completion of the fertilizer factory at Sindri, a penicillin plant at Pimpri near Poona, machine tools at Bangalore, railway locomotives at Chittaranjan in Bengal, railway coaches at Perambur near Madras, and a new iron and steel mill. In the event, arguments about whether another steel mill was really required and hesitations with regard to its location and design prevented this project from getting under way during the First Plan, a delay which has had serious repercussions on steel production ever since.

To pay for the imports of equipment and other supplies needed to carry out the Plan projects, India was able to draw upon sterling balances which had accumulated in London during the war years. Progress toward the Plan targets was uneven but clearly visible. After a couple of lean years, harvests improved and by 1955, when

preparations for the Second Plan (1956-1961) were being made, the mood was one of optimism.

At this point, Nehru, following the counsel of his principal advisor, Professor P.C. Mahalanobis, decided to create basic machine-building capacity in the public sector so that India could construct and equip her own factories. This policy involved putting up three new iron and steel mills as well as a series of foundries, forges, structural shops, heavy electrical works, heavy engineering and machine-tool plants. To cover both these ambitious industrial projects and the larger expenditures proposed on infrastructure and agricultural development, the Second Plan required more than twice the outlay of the First. The total ran far ahead of the finances which India was raising internally by taxation and other methods.

India, as a non-aligned nation, was however able to benefit during this period from the "cold war". Both the United States and the U.S.S.R. were trying to increase their influence in South Asia. The Russians were keen to demonstrate that the way forward for former colonies was to follow the Soviet model of centralized planning, heavy industry, and public enterprise. Western governments feared that if the Indian economy was not shored up, the country might go the same way as China. At the same time, the prospect that India might in the long run become a good market attracted Western businessmen to try to get in on the ground floor. By judicious bargaining, India was able to obtain financial and technical assistance from all quarters. Thus for the public sector, the Germans agreed to put up a steel mill at Rourkela in Orissa, the Soviets another at Bhilai in Madhya Pradesh, and the British a third at Durgapur in West Bengal; while the Americans undertook to double the capacity of the privately-owned Tata steel plant.

Along with the new factories, the Government set up primary and secondary schools, industrial training centres, engineering colleges, institutes of technology, and advanced research laboratories. The network of community projects and agricultural extension services inaugurated during the First Plan was greatly expanded.

Nehru toured widely, carrying to every corner of the country the message that planning was the vehicle of national reconstruction. He held out the ideal of a cooperative commonwealth in which further concentration of wealth would be avoided and the fruits of production broadly distributed so as to raise the levels of living of the impoverished masses. In reply to Nehru's calls for a socialist pattern

and an ever-growing public sector, Indian industrialists and bankers replied that the Government had already taken on more than it could manage. They alleged that Nehru and Mahalanobis were trying to remake India according to a Soviet model.

In practice, as the public sector came into being, private enterprise, and especially the largest private houses, flourished as never before. Massive development expenditures by the States as well as the Central Government vastly enlarged the markets for a wide range of goods. While the public sector enterprises were struggling with the long and arduous task of bringing into operation steel mills and foundries, forges and heavy electricals, shrewd Indian businessmen rushed into the production, often based on foreign components, of air conditioners, refrigerators, electric fans, stainless steel tableware, plastic novelties, and the very popular synthetic textiles: rayons, nylons, and terylenes.

Collaboration agreements with international firms enabled certain Indian entrepreneurs to profit handsomely by importing and assembling or re-packaging products with well-reputed foreign brand-names. The cumbersome procedures set up to regulate private enterprise in the public interest had the paradoxical effect of reinforcing the advantage of the most powerful firms over their smaller competitors. The largest concerns were best placed to keep abreast of regulations, to file innumerable applications, and to obtain the indispensable signatures of Government officers on licenses, permits, and other essential papers.

In the course of the Second Five Year Plan, the Government had to cut down on some projects because it ran out of foreign exchange. India's traditional exports failed to expand as hoped. The sterling balances in London were exhausted sooner than anticipated, thanks principally to the dynamism displayed by private business in importing goods and equipment. Nonetheless, the Government went on to adopt a Third Five Year Plan for the period 1961-1966 even larger and more ambitious than its predecessor. The gap between funds required for the Plan and the resources that were actually being mobilized in India was left to be covered in some unspecified way by foreign aid. Meanwhile, however, the cold war was subsiding and the Western powers were becoming restless about the extent to which they were being called upon to finance India's development. They formed an aid consortium, coordinated by the World Bank in Washington. Instead of being able to bargain individually with each country, India

had to face a unified group of her Western creditors.

A series of border clashes with China, culminating in a brief armed conflict in 1962, led to an important diversion of materials and credits to military purposes. Hostilities with Pakistan in 1965 led to a second rise in expenditures on arms. Furthermore, because of the conflict, the United States and the United Kingdom suspended deliveries of supplies to both belligerents. This temporary loss of essential imports slowed down a number of Indian industries.

Up until 1962, the price stability assumed for the implementation of the Plans had been more or less maintained. Despite dips due to poor harvests, the trend of food production had kept slightly ahead of demographic growth. However, the cumulative pressure of the funds put into circulation for industrial development, construction, agricultural improvement programs, and the enhanced defense budgets led to an important increase in the effective demand for foodgrains, especially for the preferred cereals: rice and wheat. Sixteen million tons of wheat, made available on favorable terms by the United States between 1960 and 1964, did not suffice to keep food prices from rising sharply in the years after 1962.

The worst droughts of the twentieth century afflicted India in the agricultural years 1965-66 and 1966-67. This was the moment chosen by the World Bank, the United States Department of Agriculture, the Ford Foundation and other agencies to renew their assault on India's strategy of development. Officials of these organizations pointed out that the population of India had been mounting at a rate of 2.5 per cent per year. Against a total of the order of 500 million, this meant more than 12 million additional mouths to feed every year. Short of an all-out effort to cope with this human flood, India, the argument ran, would be faced with a series of famines of terrifying dimensions. Accordingly, the efforts of India to develop heavy industry and machine-building capacity were unsound, or at least untimely. Steel mills and the like took many years to build, were exceedingly costly, and were likely to operate at heavy losses. What India needed was to concentrate her efforts on agriculture and agricultural inputs so as to grow the foodstuffs required to stave off catastrophe.

The argument was not a new one but the position of the Government of India vis-a-vis its foreign critics had weakened. Nehru had died in 1964, and there was no one of his stature to succeed him. When the autumn harvest failed in 1965, the Government of India had no sizeable stocks of food. Nor did it have any confidence it could

persuade those states which were least affected to go on short rations in order to feed the distressed areas. The only alternative that seemed open was to draw even more heavily upon the wheat surpluses of the United States.

Within weeks of requesting American food shipments, India announced the adoption of a "New Agricultural Strategy" based on the "Package Programme" which the Ford Foundation had been pushing since 1960. This program had been conceived as a last-ditch measure to ward off the approaching food crisis. In order to achieve rapid results, a "package" of improved agricultural practises was offered to cultivators in a few districts selected as promising the greatest likelihood of spectacular increases in production. The New Strategy adopted in 1965 centred on the use of recently developed high-yielding crop varieties responsive to heavy doses of chemical fertilizers. Seeds, fertilizers, technical advice, credit and other facilities were made available on a priority basis to a limited number of tracts chosen for good soils and assured water supply. Under this program, which has been continued to the present day, Government agricultural assistance is funnelled into the best-off areas of rural India.

Along with adopting the New Agricultural Strategy, India modified her basic development policy. The draft Fourth Plan prepared over the winter of 1965-66 gave industries fabricating agricultural requirements (fertilizers, insecticides, pumps, tractors, etc.) priority over basic machine-building industries. In the event, the succession of Five Year Plans was suspended from 1966 to 1969; the country limped along on makeshift year-to-year plans. Emphasis was shifted to completing projects already under way rather than undertaking new ventures. The loss of momentum has not yet been recovered.

Another field in which India yielded to American pressure after the 1965 crisis was that of exchange rates and foreign trade. In the summer of 1966 with the hope of securing massive U.S. aid for the Fourth Plan, the Government of India agreed to devalue the rupee by 36% and to liberalize imports. The devaluation proved to have been mistimed: exports declined rather than increasing, and India's foreign exchange position deteriorated. The American loan which finally materialized fell far short of India's expectations. The wave of new imports threatened to drown certain Indian industries. Eventually, a new structure of export incentives and import controls was put into operation and there has been a distinct improvement in India's balance of payments.

As of 1970, a revised Fourth Plan is officially under way. Three additional steel mills are projected. But the process of planning has taken on a certain unreality. The role of the Planning Commission within the Government has been distinctly downgraded. The Government itself, representing only one wing of the now-divided Congress party, is by no means assured of survival. Supply of credits from abroad depends upon factors outside of India's control. No one knows how drastically the Plan might be affected by one or two more bad monsoons. Another element of uncertainty comes from the strong political pressure for India to construct her own nuclear bombs.

Twenty years ago the idea that India might before long be a candidate for entering the nuclear league would have seemed fantastic. The fact that the question can be seriously considered today illustrates how profoundly the country's industrial economy has been revolutionized since independence. Over the past two decades India has acquired the plant, the equipment, the trained personnel, and the experience needed to manufacture a very wide range of modern chemical, mechanical, and electrical goods, up to and including such sophisticated items as jet aircraft, alloy steels, electronic control systems. As we have observed, the bulk of the heavy industries were undertaken by the Government itself. Some of these installations function smoothly and efficiently; others, not surprisingly in view of their vast size and complexity, have run into a series of delays, bottlenecks and breakdowns, and have incurred substantial losses. Spokesmen for business interests argue that such failings are inherent in Government enterprises. Their opponents denounce the concentration of wealth and power in the hands of private industrialists, and insist upon the need for a public sector as an equilibrating factor. The exchange of mutual recriminations highlights the uneasy coexistence of public, private, and foreign enterprise in independent India.

The two largest Indian houses (whom I am tempted to call "Zaitatsu" and "Zaibirlatsu") have developed since 1947 into giant conglomerates with operations in all parts of India. Each of them carries on a number of its manufacturing activities in collaborating with a series of foreign firms (for example, Birlas and General Motors are associated in the production of Bedford trucks). There are also big international corporations which operate directly in India such as Dunlop, Hindustan Lever, Siemens, SKF, and Esso. Several scores of lesser Indian houses which, like Tata and Birla, were already on the

scene before 1947, have also greatly enlarged their operations and expanded into more complex industrial fields. Here again, there are numerous instances of collaboration with foreign corporations. On a smaller scale, thousands of enterprises which did not exist at all twenty years ago, or which had no previous manufacturing activities, are today engaged in one or more lines of industrial production, sometimes at a high technical level. Around the new factories have sprung up innumerable auxiliary workshops, using machine tools and electric power to make parts or to carry out repairs.

By now, the universities, the engineering colleges, and the institutes of technology have turned out an impressive number of scientific research workers, engineers, and qualified technical personnel. The outstanding research and development group in the public sector, a constituent unit of the fertilizer complex at Sindri, has nearly five hundred engineers on its staff. This organization has planned and set up entire fertilizer factories, from the drawing board to the stage of production. But such exploits remain the exception to the general rule. Public as well as private enterprises have been hesitant to give full responsibility to Indian engineers. Almost all of India's major factories have been designed abroad and utilize processes developed in other countries. Whether Russian or American, foreign engineers prefer to use their own plans, to import their own equipment, and to hand over plants only when they are completed and ready for operation.

The new generation of Indian engineers resent bitterly the deference shown to foreign expertise. For sound national development, they insist, factories must be designed by Indians, or at least with the active participation of Indian designers, right from the ground up. The processes chosen should be adapted to Indian conditions and Indian labor and, in so far as possible, they should be based on equipment which can be manufactured in India. There is now a growing current of opinion within both Government and business circles in favor of recognizing Indian technology and giving it a chance to show what it can accomplish. Decisions with regard to each new undertaking reflect not only technological considerations but also the respective bargaining strength of the various partners to the deal, whether state corporations, private Indian firms, overseas conglomerates, foreign governments or international agencies.

The national drive for industrialization has transformed the framework within which Indian agriculture functions. Independence, universal suffrage, and the wide public discussion of economic goals

which formed part of the planning process ushered in an era of bold purposive change. Practical problems encountered in implementing the Plan projects put a premium on experimentation and ingenuity. The broadening stream of trained engineers, scientists, and workers with modern skills raised the technical level of the entire country. Dynamic expansion of the public sector was accompanied, as we have seen, by a proliferation of private enterprises, big and small.

This growth process created unprecedented demands for foodstuffs and raw materials. Over the same years, the new industries began to produce essential agricultural inputs: fertilizers, insecticides, pumps, threshers, tractors, and other implements. Many specific schemes to promote agricultural development were undertaken by the Central and State Governments under the successive Five Year Plans. To mention only the most important programs, we may cite irrigation canals, tube-wells, rural electrification, community projects and extension services, development of cooperative credit and marketing facilities, provision of improved seeds, flood control and land reclamation, intensification of research activities. Agriculture also benefited from certain rural social welfare projects, in particular the drive for the eradication of malaria.

Land reforms enhanced the security of tenure of millions of small peasants. The reforms also had an unintended effect which later proved highly significant for the emergence of an advanced sector in agriculture. According to the laws passed in most of the States, a substantial landowner had to give up to the actual cultivators that part of his holding which was worked by tenants. In innumerable cases, such a landowner managed, by pressure on local registrars or intimidation of tenants, to get himself or his relatives recognized as the rightful cultivators of the entire holding. In fact, he often continued to give out at least some of his land to cropsharers or other unrecognized tenants.

When agricultural prices shot upwards in the 1960's, the combination of factors required to make modern style farming both possible and profitable was finally achieved. In a setting which favored innovation and enterprise, the infrastructure, credit supply, technical know-how, and modern inputs had all become available to people with the right connections. The former landlords who had succeeded in getting themselves confirmed as cultivators came to realize that there was much more money to be made running their own farms than collecting rents. They cleared off the cropsharers, hired laborers

(sometimes the same individuals), took loans from the cooperatives, drilled wells, installed pumps, pre-empted the best seeds, applied fertilizers, and in many cases obtained bumper crops. Rural merchants and moneylenders also discovered that direct cultivation could be highly profitable. Some of the better-off peasants who had benefited from the land reforms were able to follow the same path.

Industrialists, large and small, building contractors, urban businessmen, Government officials, and professional men joined in a gold-rush to the country-side. They bought up land, and sank into it all manner of legitimate and illegitimate gains. The fact that income declared as agricultural is taxed little or not at all provided an additional incentive.

In the second half of the 1960's, high-yielding varieties of wheat, rice, and other cereals were brought to India from Mexico, the Philippines and Formosa with the aid of the Rockefeller and Ford Foundations. The New Agricultural Strategy promoted the use of these seeds together with the high doses of fertilizer and the regular waterings which they require. The fact that agricultural production picked up again after the disastrous drought years of 1965-66 and 1966-67 has been hailed in India and especially abroad as a victory for the high-yielding varieties and the New Strategy. The analysis frequently encountered runs as follows: "India was headed in the wrong direction, trying to build too much heavy industry too quickly. Fortunately, the Government came to see the error of its ways and adopted in 1965 the more realistic policy of putting agriculture first. This wise decision has been rewarded by the striking success of the green revolution."

The fact is that the upswing in Indian agricultural production dates back to independence and the beginning of the Plan period. The process of industrialization set in motion an upward spiral of demand upon agriculture which had to provide raw materials for transformation and foodstuffs for the ever-increasing force of workers in construction, mines, factories, transport, and related services. The manifold rural development programs furnished a vehicle for bringing scientific knowledge, modern techniques, and new inputs to the cultivators. In this context, the introduction of high-yielding varieties is simply one more step in the over-all process of modernization of Indian agriculture which has been going on since 1947.

The compound rate of annual growth of food production from the early 1950's to 1964-65 was of the order of three per cent, and the

rate for the period from 1964-65 through 1969-70 is no higher. The fact that foodgrains output reached 95 million tons in 1967-68 and may have crossed 100 million tons in 1969-70 should not make us overlook the fact that a peak of 88 million tons had already been attained in 1964-65, *before* the adoption of the New Agricultural Strategy.

As we will recall, Nehru presented national planning and the creation of a nucleus of basic industries in the public sector as stepping stones to socialism. His foreign and domestic critics frequently decried the Indian development policy for the same reason. In practice, the Five Year Plans have fostered the burgeoning of capitalist enterprise in agriculture as well as in industry. India's modernization has led not to a cooperative commonwealth but to a greater concentration of economic power. The main strings are in Indian hands; nonetheless, tugs from foreign governments and foreign business are sometimes strong.

Independence has already fulfilled to a striking degree the promise of building up a national economy. Progress toward a social transformation in the direction of equality is so far slight. Yet two decades of independence have given to the common people – the hundreds of millions of petty cultivators, agricultural laborers, artisans, clerks, skilled and unskilled workers – the idea that a better life with more human dignity is possible, and that they are entitled to it. The underlying forces at work in city and country are surely making for even more fundamental changes in the coming twenty years.

PART TWO

**THE CHANGING COUNTRYSIDE OF INDEPENDENT
INDIA**

6. The Kashmir Land Reforms : Some Personal Impressions*

Towards the end of April, 1953, I went up to Kashmir. I looked forward to the visit with more than the normal eagerness of one who had never before seen the celebrated valley. How many times over the course of the previous winter I had been told that if I wanted to find real land reforms in India I should go to Kashmir. As described in Delhi, Bombay, and Madras, the measures taken by the Kashmir Government sounded most impressive. Jagirs and similar special grants had been abolished. Debt conciliation boards had been set up and were operating so vigorously, I was informed, that they amounted to debt cancellation boards. Rents had been lowered. Security of tenure had been provided for the tillers. A ceiling on all landholdings had been set at $22\frac{1}{4}$ acres. All arable land above that figure had been taken away from the owners and redistributed.

I was lucky enough to meet a young Kashmiri schoolmaster who knew something of village life and was willing to accompany me on my explorations. We began by simply walking down the back lanes leading out of Srinagar. Before long we had cleared the last of the suburban villas, and were walking across open fields. The first village we reached was a hamlet of a few dozen houses. Here, with the help of some children, we were able to collect a group of cultivators who had just returned from the fields for their late-morning meal. Only when ten of these fellows had gathered together did they begin to speak freely to us. Land reform had come to their village only three months before. It appeared that an absentee landlord had owned a large tract of land in another village nearby. He was legally stripped of this land, most of which went to the peasants of that village. There was, however, some poor quality land left over. This marshy land had been given free to the men to whom we were speaking. Each one had got a small plot (from one-quarter to one-half acre in size) on condition that

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he make it productive. In order to make this soggy waste yield crops, each of these previously landless labourers said he had had to borrow something like Rs.100, for implements, seed, hire of bullocks, etc. (This figure may well have been an exaggeration.) They did not hope to earn enough money to pay off these debts but planned to work them out by doing day's labour on fields belonging to the moneylender.

Our informants felt that they were better off than before the land reform. But they complained bitterly that while they gained only a fraction of an acre apiece, people in the neighbouring village who already owned land had been able to get additional land and of much better quality. I told them I would go to the neighbouring village and check this for myself. Just before I left, they told me that out of 1800 people in their village (several hamlets taken together) only ten families had enough land to grow the food necessary to feed themselves throughout the year. The rest do what field work they can or try to pick up casual jobs in Srinagar, where there has been for some years a serious unemployment problem!

DIFFERENT VERSIONS

The next day we went to the neighbouring village to see if we could find some of the local landholders about whom we had heard so much complaint. We soon met one of the chief of these, who presented his side of the story clearly and forcefully. Before the land reform, he said, there had been two kinds of land in the village: 300 acres of *marusi* (ancestral) land which the peasants owned and tilled themselves, and about 650 acres which were held by an absentee landlord living in Srinagar. As a result of the reforms the landlord had lost almost all of these 650 acres. About 500 acres had been under cultivation by tenants. These acres had been turned over to the tenants who were cultivating them. About 120 acres had been under water since the floods of 1950. This land the Government had bunded so that cultivation was once again possible. These 120 acres were distributed in February and March of 1953 to landless labourers of nearby villages, in patches of one-quarter to one-half of an acre in some cases, and as much as two acres in other cases.

According to the spokesman for the local landholders, the principle of the division was to give the drained land to those peasants who had cultivated it before the floods. He explained to me one point about

which the recipients of the drained land had expressed their grievances the day before. The limit on land-owning under the Abolition of Large Holdings Act of 1950 was set at $22\frac{1}{2}$ acres. No peasant in the village at that time had been cultivating or holding this amount of land whether as *marusi*, as a tenant of the absentee landlord, or as a combination of the two. No peasant, in fact, had held more than fourteen acres of *marusi* land before the reform, and no one had gained more than eight acres from the former holdings of the absentee landlord. So, although it was true that peasants who already held land had been given more land, everything that had been done was altogether proper and legal under the terms of the land reform act, which simply provided that the lands taken away from absentee owners should be turned over to the cultivating tenants so long as each peasant's total did not exceed the stipulated $22\frac{1}{2}$ acres (182 kanals).

THE OFFICIAL STORY

Curious to see how this version of the operation of the land reforms would stand up to investigation, I returned to the first village. As my Kashmiri companion and I walked into the main village lane, we saw two men on a bicycle turn off and go to the house of the *numberdar* (the local official in charge of collecting land revenue). While we stood there, curious as to who these men might be, the *numberdar* threw open an upstairs window, saw us down in the lane, and beckoned to us to come in also. He introduced us to the two men who had already entered. One turned out to be the *patwari* (keeper of village records) of a nearby hamlet; the other, to our great pleasure, was the *Halqa* President of the whole area. The *Halqa* is the local organization of the Kashmir National Conference, the political group which, under the leadership of Sheikh Abdullah, had carried on a long agitation, against the old Maharaja's regime, had taken over power in 1947, and had held it ever since. When we told the *Halqa* President what kind of an inquiry we were making, and how we had got two quite different stories of what had been done with the absentee landlord's confiscated acres, he readily agreed to give us his own version of the affair.

He began by telling us that there were three dozen villages in his *Halqa*. In one dozen there had been land redistribution. Conditions in these villages, he said, were now much better than before. Everyone got two square meals a day. In the remaining villages of his *Halqa*,

things remained much as they always had been. Now as to the 650-acre holding, that had been the biggest in his *Halqa*. The *sarmayadars* (moneyed ones), the village officials, and the *khadpanches* (people who hang around the village officials in the hope of gaining influence or wealth) had in these 650 acres a substantial prize and an unprecedented opportunity for rewarding themselves and their friends. Under the circumstances people with money and connections had been able to acquire more land than was due to them under the terms of the Act. Those who already were the larger village landholders were in the best position to receive additional allotments. It was of course true that some of the *sarmayadars* and *khadpanches* had been cultivating portions of the absentee landlord's holding as tenants. In other cases, however, this simply had not been true. The result the *Halqa* President described as "a new kind of Jagirdari".

What should have been done, the *Halqa* President said, was to give *some* land to the better-off peasants (those with bullocks, ploughs, money, etc.) and *much* land to the poor and the landless. They should not have given the worst land to the poor and the best land to those with the most resources. He was not satisfied either with the way the land reforms had been manipulated or with the principle on which the 1950 Abolition of Large Holdings Act was based, *i.e.*, that the land taken from landlords should be handed over to the tenants in the amounts which they held as tenants up to a maximum *per capita* holding of $22\frac{1}{4}$ acres. He was particularly disturbed by the knowledge that one of the *Halqa* officials under him had managed to hold on to more than the prescribed $22\frac{1}{4}$ acres, despite the fact that he was not really a cultivator but a contractor, a brick kiln owner, and a trader. We ended up with the impression that the *Halqa* President was a well-meaning but weak man, who, by remaining honest, had remained poor.

EVADING THE LAW

After hearing the *Halqa* President's version, we decided to return to the *sarmayadar's* village and ask a few questions. This time we met the *numberdar* of the larger village, who invited us to sit down in a shady spot inside his sizeable compound. When asked about the progress of the land reforms, he began by repeating what we had previously heard from the *sarmayadar*. Everything had been fair and equitable. The land of the former landlord had been given only to the

former tenant cultivators. The sole exceptions were the landless labourers who had been given the small bits formerly under water. Under questioning, however, he conceded that there had been some irregularities. Some of the well-off families in the village, when they got wind of the impending land reforms, had gone through the legal forms of breaking up their joint families. Thus they were entitled to $22\frac{1}{4}$ acres per adult male. He gave us the names of three or four families which had adopted this procedure, although all members of the family still lived under a common roof and took their meals together.

We asked the *numberdar* how many families in his village earned enough from farming to meet their expenses. There were about 200 families in all, he replied, of which about twenty now held enough land to maintain themselves. He further added that there were about twenty-five families who found it exceedingly difficult to pay the land revenue due to the Government. Since it was his duty to collect this revenue (or else make up the difference out of his own pocket), he nevertheless took it from them.

At this point in the discussion it started to rain, so the *numberdar* invited us to come indoors and sit in the small detached building he used as a reception room and guest house. Here we were soon joined by a handsome youngish man who was introduced as the *sarpanch* of this and half-a-dozen nearby villages. He had been elected to the post two years previously, and his principal duty was village reformation and development. Entering into the discussion with us, the *sarpanch* quickly conceded that three or four families had acquired more land than the $22\frac{1}{4}$ acres maximum, and that they had achieved this by ostensibly dividing up their families. As for himself and his three brothers, they held a total of less than twenty acres, he said.

The *sarpanch* expressed the view that the arrangements for land redistribution were unjust. He did not himself feel that a peasant who already held thirteen acres of *marusi* land should have obtained six or seven additional acres from the dispossessed landlord, just because he happened to be the tenant of that landlord. This, of course, had been the view expressed the day before by the *Halqa* President. The *sarpanch* went on to some more general comments. In China, he observed, land reform had started at the bottom. Every village had its own land reform committee. They had redistributed the land in the best interests of the people. They were not under the thumb of the old bureaucracy, which had been abolished. In "New Kashmir", by contrast, the old bureaucracy still functioned. The same *tehsildars*,

deputed as officers on special duty, had performed the actual work of redistribution of land. It had not been done by the peasants themselves. There were no peasant committees set up, as envisaged in the "New Kashmir" Constitution drawn up by the National Conference as a statement of social and economic goals in 1944. The result of retaining the old officials and entrusting the land reforms to them was a triumph for corruption and favouritism.

It was a most curious sensation to hear this from the lips of the *sarpanch*. We had already been told by several persons, including the *Halqa* President, that in the land reforms the *sarpanch* had managed to do very well for himself and for the other members of his family. Yet here he was criticizing the land reforms sharply from a left-wing position, while continuing to hold the office of *sarpanch*, and to function as a member of the National Conference. We later found out that he had been the *Halqa* President before the present one. It also turned out that he was the son of the *numberdar*, in whose guest room we were sitting, the walls of which were decorated with large portraits of Lenin and Stalin. The *numberdar*, it may be noted, let all of the *sarpanch's* remarks pass without dissent.

No general statement about the Kashmir land reforms could be based only on what occurred in one tract near Srinagar. In going to other villages in different parts of the valley, however, I found a similar pattern. In a village near a famous Muslim shrine I met the largest local landholder who greeted me most cordially. It appeared that he was well known for his hospitality, particularly to Government officials on tour. Of his former holding of 500 acres, he had somehow managed to retain 125.

GRIEVANCES REMAIN

I had started out asking questions primarily about who got land under the reforms. I soon discovered that while there were grievances on this score which the poorer peasants were willing to voice, their bitterest complaints were about the Government's food procurement policy and the malfunctioning of the co-operatives. The Government took from each producer 40 per cent, 50 per cent or more of his paddy, the amount depending upon the area. For this the Government paid the peasant Rs.9 per *khirwar* (1 *khirwar* equals 2 maunds plus 3 seers, or 170 pounds). This paddy was then sold in the Government ration shops in the cities at low controlled prices. If, after Government

procurement, the peasant did not have enough left over to feed his family, then he would have to buy what he needed in the free market. Here the price of paddy ranged from about Rs.20 to Rs.32 per *khirwar*. Either the Government should change its procurement policy, the peasants said, or it should open low-price ration shops in the villages.

The co-operatives, which distributed all imported necessities such as salt, sugar, kerosene, and cloth, were thoroughly unpopular. At the time of my visit to Srinagar both the former manager and the former cashier of the Central Co-operative Bank were in jail, charged with embezzling very substantial sums of money. In the rural areas, I was told, the co-operative officers often followed after the Government procurement officials. They would go to the homes of the peasants, and declare part or all of the remaining foodgrains "surplus". They would then request the peasants to sell the "surplus" to the co-operatives at the same price of Rs.9 per *khirwar*. Peasants who refused were likely to get into trouble. In practice the peasants had to yield the additional quantities. Ostensibly the aim of the co-operatives was to make more food available at low prices for the poorest peasants. Far from doing this, I was told, many of the co-operative officials simply sold the "surplus" foodstuffs in the free market and made a handsome profit for themselves. Apparently, here as with the land distribution, the important thing was how much influence each peasant was able to bring to bear on the appropriate official. To some of the poorer folk it seemed as though the *sarmayadars*, the *khadpanches*, the *halqa* office-bearers, the Government officials, and the co-operatives had all joined hands to fleece them. In some areas it looked as though the ordinary peasant was confronted with a more formidable combination than he had faced under the rather ramshackle regime of the Maharaja.

THEY COME IN CARS

On one occasion my young Kashmiri companion and I met a couple of peasants on the road. As we walked along together they were telling us how a small group in their village had twisted the land reforms to their own advantage. The details they gave were so vivid that we asked them: "How do you know that we are not Government officials from Srinagar, and that we will not report you?" They replied, laughing, "Government officials don't walk down the road in the hot

sun. They come in cars or jeeps.” So we put another question: “Suppose we had come in a jeep and had asked you about the land reforms – then what would you have said?” “Oh, we would have told you everything was wonderful!”

Land reform in Kashmir has clearly done away with the jagirs, and has weakened the position of all the great landlords. It has distinctly benefited those individuals who, *at the village level*, were already the more important and substantial people. It has done the least for petty tenants and landless labourers, these two categories being the largest in the countryside. By not paying compensation to the dispossessed absentee landlords, Kashmir has escaped the financial burden which several of the States of India have found so onerous.

For their total effect the Kashmir land reforms have to be examined and assessed in the light of the day-to-day functioning of village life. Mere statistics of so and so many hundred thousand acres taken away from the big landlords can be quite misleading. India's most-publicized land reforms cannot be said to have succeeded in improving the economic lot of the Kashmiri peasant. Whether the legislation was well conceived for this purpose remains debatable. In practice any beneficial results have been more than balanced by the Government's food procurement policy, the co-operatives' reign of extortion, the implementation of redistribution through the old bureaucracy, and the sole political party's setting itself up as yet another privileged rural hierarchy.

7. Land Reforms in India: Some Speculations*

No one seems to be satisfied with the accomplishments of the land reforms made in India since 1947. Dozens of committees of inquiry have sat and reported; a hundred pieces of legislation have been drafted, debated, and enacted; rules, regulations, and ordinances abound; nevertheless, the results of all this activity appear to fall far short of earlier expectations. Why is this? It is certainly not because of any lack of agreement as to the chief problems confronting the Indian peasantry. In the literature analysing the Indian rural scene the names of those problems occur again and again, along with the admonition that a multiple attack must be made on them: landlords, absentee and resident, cultivators' tiny and fragmented holdings; lack of capital and credit; bad marketing; poor yields resulting from low-level technology; mounting numbers of utterly landless labourers; and the generally uneconomic character of Indian agriculture as a means of gaining a livelihood.

As well known as these problems are the names of the governmental measures trying to deal with them. Here we have the celebrated acts for the abolition of *jagirdari*, *malguzari*, and *zamindari*; the tenancy acts of Bombay and other States; the debt conciliation boards of Madhya Pradesh and many other measures. No one can deny that these acts have had some effect. In many areas the layer of absentee landlords at the top has been peeled off; at the bottom, in most areas forced labour has diminished or even vanished entirely. But, in between, the basic problems of the ordinary peasantry persist. There is no need to dwell on the point. It is conceded in the Congress Working Committee's resolution of May, 1953, calling for a faster pace in land reform. The accomplishments of even the most publicized land reforms in India, those of Kashmir, were called seriously into question in the summer of 1953. Judging by the Wazir

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Enquiry Committee and other reports, the Kashmir government press releases ran far ahead of the actual achievements.*

DOUBLE JEOPARDY

What lies behind the slow progress of the land reforms? Really to answer this question one must pursue an unpleasant but unavoidable line of inquiry: Who gains from the economic weakness of the vast mass of tenants and labourers? The reply, I suspect, is: the better-off people who hire them as labourers and who rent out bits of land to them as tenants or share-croppers. The desperate competition for work among the labourers tends to keep rural wages low; in fact, in some regions of India it is still below one rupee per day. Similarly, the tenants' notorious hunger for land tends to put them at the mercy of those who have land to rent out. Many peasants both rent land from one of their better-off neighbours and also work as field labourers on the *khudkasht* land ("home farm") of that same neighbour. Such tenants-cum-labourers live in a continual state of "double jeopardy", for they are dependent upon the same individual for their wages and for the privilege of leasing land. Where the same neighbour also engages in moneylending, crop marketing, or both, the dependence of the petty tenant-labourer can be correspondingly greater.

Let us assume that relationships of this sort exist fairly pervasively in India, and let us not stop to try to indicate their significant regional variations. What effects do land reforms have upon such relationships? The most publicized land reforms, *zamindari* and *malguzari* abolition, I am inclined to believe, have had the *least* effect in this sphere. Where the *zamindar* was a large absentee landlord the villages he controlled were used to getting along without his presence and continue doing so. Those holders of *zamindari* and *malguzari* rights who lived in villages had typically much smaller holdings than the absentees. Nevertheless, to the ordinary tenants and labourers of the villages, these local landlords were mighty important people, both in the renting out of land and in the hiring of labour. Such resident landlords have lost in the recent land reforms, but they remain in the villages and, in local terms, they remain the most substantial people.

*A number of the salient features of the Wazir Enquiry Report are discussed in *The Hindu* (Madras), August 23, 1953. See also my article on "The Kashmir Land Reforms: Some Personal Impressions," in *The Economic Weekly* September 12, 1953, Vol. V, pp. 999-1002. In this volume, chapter 6.

In a number of the villages of Madhya Pradesh chosen at random after *malguzari* abolition, ten per cent of the villagers control more than fifty per cent of the land. The same is undoubtedly true for many other parts of India. Judging by reports from widely separated parts of the country, the larger local landholders and the tenants-cum-labourers may be engaging in *sharper* contests today over rents, wages, share-cropping etc., than before the land reforms.

What is of prime interest is not the existence or severity of these contests, but their relationship to other contests which are simultaneously proceeding at the village level, and which are being waged, it would appear, by roughly the same sets of contestants. In the broadest terms it appears safe to say that the group of families who control the land and wealth of the village enjoy in day-to-day relations the highest caste or social position in village life. Besides lording it over their neighbours economically, the mighty ones expect and receive social deference as well. By virtue of their economic and social position these same influential folk are used to running the political life of the village. They dominate the village officials or themselves serve as village officials, and know the higher-ups in *taluk* or *tehsil* affairs.

THE VILLAGE OLIGARCHY

What relevance does this highly tentative sketch of village control have for the fate of the recent land reforms? Our hypothesis is that by and large a small group of people are used to running the village, economically, socially, and politically. The members of this group have both a sense of power and the means of exercising it. They have devised a thousand ways of getting around the land reforms. Unless their power over their fellow-villagers is reduced substantially, they will continue to frustrate the land reforms. Assuming for the moment that so large a set of generalizations is true, what consequences would follow from it?

(1) The core of the problem in the countryside does not consist in the separate economic problems of the ordinary peasantry, as listed in the initial paragraph of this article; rather these separate problems are only so many indications that at the village level the bulk of the tenants-cum-labourers are economically subject to the domination of a small group of their better-off neighbours. That domination is not confined to the economic field, but is reinforced by interlocking

domination in the social and political fields as well.

(2) For the short-run future, the utility of village panchayats as a means for carrying out land reform is brought into question. A small fraction of the villagers either dominates the panchayats or wields sufficient power to nullify the decisions of the panchayat.

(3) For the long run, the existing division in the countryside provoke some very basic questions. Can those divisions and pressures be handled by a variety of improvisations and palliatives, or is something more profound involved? Are we witnessing today the break-up of an age-old, traditional system of society, a break-up in which India's "lower orders" (the people who form today the bulk of rural society, the vast mass of petty tenants and labourers) are no longer prepared to function at the sufferance of their social and economic superiors?

We may perhaps bring out more sharply the customary power of a small minority in village economic life if we try to put ourselves in the *sandals, chappals*, or bare feet of a typical cultivator and try to see how the world around looks to him. If we do so, my guess is that we will not find the cultivator thinking abstractly about the land problem, the credit problem, the marketing problem, or the insect pest problem; rather, I should expect him to be looking at things in much more personal terms. We can picture him at dusk in his small mud-walled house wondering where he stands *vis-a-vis* the important people who really run village affairs and exert such a variety of controls over him. As he looks out of his doorway he may see some distance away the much more spacious dwelling of an important neighbour, more likely than not large and multi-storeyed, with bins well packed with grains and other foodstuffs. His own hut although neat and in good order, is likely to be sparsely equipped and stocked; in size it is cramped and crowded for his family's requirements. His better-off neighbour may have an interior courtyard, space for a cow or some good work animals, a home grinding mill, or other amenities. The ordinary cultivator has to consider with care what he has to do to make the best out of the position he finds himself in and what he has to avoid doing to keep his position from getting worse.

THE RUSTIC HAMLET

Should some bold spirits among his fellow-cultivators propose some group action to reduce rents or to raise the level of wages for field

labour, then he has to decide whether to swing along with them. Is this a good moment to act, or are he and his fellows so weak and disorganized that they had best lie low and wait for a more favourable opportunity? What will they do, should they be threatened with loss of employment, loss of credit, or with the withdrawal from them of the land they are used to renting or share-cropping? Suppose there are rumours that the village landholders, to deter their tenants and labourers from acting against them, have threatened to file suits against their tenants, to eject them from the land on some pretext or other. Even, if the tenant can eventually defeat such a suit, he has to think twice before letting himself get involved in a distant, expensive and lengthy legal process.

These problems and relationships persist, despite such well-publicized reforms as *zamindari* or *malguzari* abolition. The local landholders remain very much in the scene and do not wish to go the same way as the far-off absentee. To the ordinary cultivator a petty tyrant on the spot locally can be a greater burden than a great tyrant far away in the provincial capital or in some metropolitan centre.

There are some other things which the ordinary cultivator senses, even though he cannot describe them in the jargon of the economist concerned with economic development. Although his better-off neighbour may be doing well, he himself and his fellows cannot make ends meet. They simply do not earn enough to meet their expenses. They may not know that "agriculture is uneconomic, not a paying occupation", but they do know they are as broke as ever. In this context they tend to be wary or impatient with high-level proposals to revamp their whole way of farming, proposals which, in the last analysis, call for a good deal more investment on their part. They may not dare think of fresh borrowing when the women's jewellery or some of the household utensils may already be in hock, and when they do not see how they are going to be able to get those items back. If they are reckless, where will they find creditors willing to advance further sums to them which, like the previous loans, may not be repaid. Here again, the peasant may not know that his agriculture is marked by "chronic, severe under-capitalization"; he just knows that he must avoid new commitments unless they are small ones and unless the prospective returns are speedy and substantial. What the peasant may see more clearly than his critics are the weaknesses of his own position; not simply too little land, too high rent, too much debt, too low wages, and too low farm prices – but the way in which he is at the losing end of

these relationships, not in abstract terms, but in connection with the same small group of people, the ones who live in the best houses *in his village*. And no matter how he and his fellows may twist or turn, very few of them ever are able to get out from under those neighbours, except by leaving the village. As he sees it, these neighbours are comfortable because they are seated so firmly on his back and the backs of his fellow-cultivators.

THE PANCHAYAT MYTHOLOGY

In few parts of Indian life is mythology so strongly entrenched as in the conventional picture of village life. How often are we told that the villagers are simple, hardworking folk, who enjoy an integrated view of society and life, and are best-off when administered by themselves through that time-honoured institution, the village panchayat. The impression is usually conveyed that without outside interference (whether of the Government or of political parties) the panchayats would work inexpensively and harmoniously. After all, the panchayats are made up of the most respected villagers, they understand the villagers' needs, and they speak for all the major elements of the village community.

From this picture it would be hard to realize that by the early twentieth century there were whole regions of India in which village panchayats were virtually non-existent and that in many parts of India the panchayat had *never* been a traditional village body. The fact of the matter is that much effort has been spent in twentieth century India in artificially creating new panchayats and in trying to keep alive half-dead panchayats. It is questionable whether those efforts have been worth the energy expended on them. Village life in India is not simple and harmonious, but shot through with factions, complexities, and antagonisms. (See the series of twelve village studies published in *The Economic Weekly* since October 1951.) Where the panchayats have functioned, they have not usually represented the ordinary people of the village. Rather they have been an instrument of a minority, the most powerful group or groups in the village. In recent years, panchayat acts have provided for the election of village panchayats by adult suffrage. This has posed difficult problems for the unimportant people of the villages. Should they take the risk of antagonizing the important people by outvoting them at the elections and capturing control of the panchayats? What will they do if the important people

thereupon boycott the panchayat and pay no attention to what it says? Suppose the important ones threaten to make trouble for the lesser folk who run against them? Would not the more prudent course be to let the important people continue to exercise power, as is their wont?

To put it crudely, the panchayats are either weak and timid, or they are an instrument of the local landholders. It hardly seems appropriate to thrust the land reform problem at the village level into the laps of such panchayats.

To the hard-pressed peasantry the Government has held out the distant prospect of a co-operative commonwealth unmarred by the striking inequalities of contemporary India. There can be no doubt that the hopes of the peasantry have been aroused and that those hopes have not been satisfied.

By and large it is safer to assume that the ferment in the countryside is waxing rather than waning, and that the antagonisms at the village level are increasing. Since 1947 the poorer peasants have shown more courage in standing up to their influential neighbours than they did in the days of the British. The virtual cessation of forced labour is due not simply to governmental action but also to direct refusal on the part of those who formerly performed such services. Contesting of village panchayat elections represents yet another indication of the new spirit of insubordination. The small folk of the villages may not yet have been able to utilize the panchayats as a vehicle for their own political or economic aspirations, but in many cases they have at least made the attempt to vote in their own candidates. They have also derived much satisfaction from the visits to the village of vote-canvassing rivals in state and national elections. At the polls, one villager's ballot paper is just as good as another's, and the visiting candidates have appealed for votes to the poor as well as the rich. For the Indian countryside the idea that one man is worth as much as any other is quite a "dangerous thought".

In some areas a practice has grown up of simply refusing to pay rents to absentee landlords, or, for that matter, to any landlords. Audaciously enough, some of the working peasants tell the landlords to take care because their days are numbered. In fact they speak out their minds and air their grievances with little hesitation whether to their affluent village neighbours, to touring Government officers, to chance outsiders, or even to all three simultaneously.

Where the low-caste villagers have the extra resources, usually from

work outside the village, some of them are challenging the social prerogatives of their high-caste neighbours. Here, for example, I recall cases in northern India of Chamars building fine new homes alongside the houses of the landholding Jat families. In parts of the South, the landless labourers, to the dismay of their employers, have joined hands in farm labourers' organizations, and managed to double the rate of daily wages.

Taking together all of these not-so-small indications, Government is likely to be wiser in overestimating rather than underestimating the pressure for change in the countryside. In point of fact the Government has nothing to gain from trying to resist this pressure. Naturally, the Government cannot transform agrarian relations overnight. There is no easy or speedy "solution" of India's agrarian problems available to Government or to anyone else.

The Government has already committed itself in principle to far-reaching land reform. Some States have gone further than others; everywhere a beginning has been made. What can be done now is to push ahead faster, further, and deeper with the programme that is already under way. Fond illusions about village harmony or the panchayats must be discarded in favour of more realistic measures.

If in the process the older rural social structure falls apart, there will be no need to mourn. That structure rested on the profound disabilities of a large proportion of the working population. Those disabilities cannot survive in a modern society. They are doomed. Let them go. A government that does so will gain much more than it loses, because it will be able to swing behind itself the underlying forces for change in India, rather than to have to resist those forces.

An alternative view is that as the old village oligarchs go, new ones will arise to take their place. So why worry? This approach may not be entirely unjustified, but surely that is no reason to yield to its corrosive cynicism. There is no doubt that a clear, determined government programme could considerably reduce the range of inequality now characteristic of India's villages. The local landholders know that the great *zamindars*, *taluqdars*, and *jagirdars* have gone. They are apprehensive that their turn will be next. Naturally they will resist if anyone proposes to strip them of everything they have. But they are certainly prepared to strike a compromise, if they are at least left with shelter, their personal belongings, and land that the members of their families can themselves work.

The sooner some such programme is put into effect the better. It

would arouse fresh hope among the many millions who actually do India's agricultural work and make some land available to them. It may even lead into a reconstruction of India's rural economy on a much higher technological level. As things go at present, the better-off villagers live to a considerable extent as parasites on their neighbours, the actual cultivators of soil. India's hopes rest with the people who work, not with those who watch them work. Doubtless, some harshness and even injustice would be unavoidable in the process of reducing the power and property of the spectators. But only such a reduction could give the actual tillers an opportunity to come into their own, and to show what they can do with the land.

8. Context for Cooperatives in Rural India*

In order to find out how agricultural cooperatives were functioning – and were likely to function in the future – I decided to go and see things for myself. Accordingly, between December 1958 and May 1959, I visited some 117 cooperatives scattered throughout most of the States of India.

The particular societies which I visited were not selected by me. Rather, they were selected by the local authorities, but in no random sense. Since I was interested in the prospects for successful cooperation, I asked the local people (from the Cooperative Departments, in most cases) to take me to their *best* societies. Since they would want to show me their best, there would be no harm in asking them to do what they were, in any event, almost certain to do. Further, the places in which I halted while on tour were, wherever possible, well known for their achievements in the field of cooperation. Hence it was not by chance that my itinerary included Baroda, Salem, Kolhapur, Nilgiris, Mandya, and Anakapalli. In this way I saw not merely good cooperative societies, but the best of the best. These societies, however, did not constitute a properly drawn sample, whether of all cooperatives or of good cooperatives. They are merely cases or illustrations which happened to be brought to my attention when I asked for the best.

As it happened, my field tour followed close upon an important shift in Governmental policy with regard to cooperatives. A decision had just been made at the highest level to go no further with the integrated credit scheme which had been taken up at the recommendation of the Reserve Bank. As against the Reserve Bank's larger-sized societies, the new policy emphasized single village, multi-purpose service cooperatives. These, it was stated, ought to serve as a

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transition to cooperative joint farming. Since the implementation of the Reserve Bank programme had begun only three years earlier, the reversal had an upsetting effect on many cooperators. On the other hand, the Government's unprecedented stress on cooperation as an instrument of development made the subject a live one wherever I went.

THE LEADING COOPERATORS

When I arrived at the office of a village cooperative society, the first persons who came to meet me, or indeed were already waiting, were usually the members of the managing committee. In discussion I tried to ascertain the social make-up of the village and to find out which groups were represented in the cooperative and which in the managing committee. In quite a few places the people whom I met were anxious to impress upon me the importance of the heads of their cooperatives. They took pride in telling me that these cooperators were big men in trade, in Government contracts, in rice-milling, in land-holding, and in local politics. In general, I found that the heads of cooperatives were the big people of the villages and that they had their fingers in many other pies as well as cooperation.

For example, the leading figures of the multi-purpose cooperative at Saadhi in Baroda District of Gujarat are all landholders from the dominant local community, the *Patels*. They own enough land so that they do not have to work with their own hands. They have managed to get around the land reforms, and some of them were giving out land on a 50-50 cropshare basis to the lesser folk of the village. Some of the leading figures in the cooperatives appeared to be lending money informally on a private basis. The previous head of the cooperative had gone on to become the chairman (*sarpanch*) of the village *panchayat* (the "council" of the village).

Power Concentration in Single Family

One of the outstanding cooperative joint farms in Gujarat is located at Rasulabad, 10 miles north of Baroda. It seemed to be well run and the benefits of the members included purchase of schoolbooks for their children. But it was functioning as a one-family show, operated mostly on family land by one of the landlord families of the village. Three brothers from this single family were serving respectively as the

Chairman of the Managing Committee, the Managing Director and the Farm Manager. More of the work of the farm appeared to be done by hired labourers than by the members themselves.

Sadoli in Kolhapur District affords a different kind of illustration of concentrated power of a single family. Seven brothers here constituted the village's leading family and wielded the greatest influence in the multi-purpose cooperative. One brother was village *sarpanch*, another was director of a lift irrigation cooperative, while a third was director of a nearby cooperative sugarcane factory. In addition to owning more land than any other family, the seven brothers also owned 5 mechanical vehicles (tractors, bulldozer, car, lorry). During the busy season they employed more than 50 labourers. In the Sadoli multi-purpose cooperative, half of the outstanding short-term loans (Rs.95,000 out of a grand total of Rs.191,000) had been made to only 11 members.

In Salem District of Madras, perhaps as celebrated as any in the State for work in cooperation, one family has dominated the movement for a generation. In 1959 one member of that family was simultaneously the president of no less than six cooperatives and the director of several others. The cooperative movement of the district seemed to be little more than an extension of his personality.

Work Done by Hired Labour

At a joint cultivation cooperative in Coimbatore District of Madras only 3 out of 28 members actually went out and helped till the society's fields. In another joint cultivation society in North Arcot, three-quarters of the members were absentees, and none of the full members living in the village actually did physical work in the fields. In both cases the cooperatives served as a form of organization whereby the full members could receive aid from the State and yet get their work done for them by the employment of hired labourers.

Nauranga in Kanpur District of U.P. is perhaps the best known in North India of the large-sized societies of the type recommended by the Reserve Bank. The society appears, however, to be under the wing of the local landlord, the ex-zamindar, who used to hold not only Nauranga but several other villages as well. He has been serving as a director of the Kanpur District Cooperative Federation. Peasant members of the new society assert that the big people, the ex-zamindars, get preferential treatment from the cooperative, while

applications from the lesser folk are handled in dilatory fashion.

Chairman, Patel and Sarpanch – All Three in One

The Chairman of a new, large-sized society in the Sehore area of Madhya Pradesh was simultaneously the village *patel* (headman of the village), the *sarpanch* (head of the *panchayat*), and director of at least two other cooperative societies. He lived in a splendid house and was one of the three largest cultivators in the village, with four farm servants working for him full-time all year round.

In the Hyderabad District of Andhra the president of a new large-sized society founded in 1956 was a military contractor owning a mansion and a new car, while the secretary-treasurer was one of the largest landowners. Similarly, at a nearby and highly reputed single-village primary society, the president, in addition to being the largest holder in the village, was also a P.W.D. (public works) contractor.

Mysore furnishes the example *par excellence* of leading families who completely control village affairs, including the cooperatives. These are the *mukhyestaru*, the local "all-in-alls." To an extent perhaps unequalled anywhere else in India they are at one and the same time the principal landowners, chief traders, main moneylenders, shopkeepers, and village officials. The *mukhyestaru* have generally opposed the formation of cooperatives. Once these are established, however, they join the societies to take them over for their own purposes.

MASTERS AND SERVANTS

Let us now take a closer look at the range of activities of the bigger people who are so often found at the helm of the cooperatives. Their holdings, as we have noted, are likely to be the largest, or among the largest, in their villages. These they can either cultivate directly through hired labourers, or they can give them out for others to cultivate on payment of rent in cash or in kind. In actual practice the bigger people often do both. They keep some of their land directly in their own hands, and they give out the rest to others. To the extent that land is given out, they are likely to be giving out the most. As such, they wield great power. The little people, desperate to get land, cannot sit as equals with the important people who have significant amounts of land to give out. It is doubtful that they can work together on a cooperative basis.

In so far as the large landlords are also big cultivators, they are the principal employers of agricultural labour. When the labourers are utterly landless, they are, with rare exceptions, not enrolled as members of the local cooperative. By contrast, there are numerous cases in which the labourers own tiny patches or take in bits of land on lease or cropshare. Some of these labourers may well have joined the cooperative. If so, there is almost certain to be a wide gap between them and the top people by whom they are hired. The employer is the master, and his hired labourer is the servant; in the languages of India there are no terms for distinguishing an employer-employee relationship from that of master-and-servant.

The relations of master and servant are typically complex. The labourer or his father may have borrowed money from the master, either in time of distress or for a major ceremony like marriage. Or the labourer may simultaneously be taking some pieces of land from the master on cropshare (*batai*). The masters may come from one caste and the labourers from another that ranks lower. The implications of caste differences and caste rivalries have been so widely commented on that we will not attempt to add anything to that subject here.

We cannot overlook, however, the question of attitude toward physical work in the fields. There is very little belief in India in the dignity of labour. For the most part, whoever can escape it considers manual labour an indignity. The surest way by which a family whose fortunes have been improving can stake a claim to higher standing in the village is for the members to abstain from manual labour. It is safe to say that in most of India the distinction between those who work with their own hands, and those who do not, cuts deep. It is idle to expect those who do not soil their hands, and their hired labourers who do, to work together in the spirit appropriate to a cooperative. Not only may the masters not be prepared to "work together," they may simply not be prepared to work at all!

MONEYLENDERS IN THE SOCIETIES

One cannot help but be impressed by the position occupied in the cooperatives by one or another type of person who lends money. The cultivator who also does some moneylending figures prominently in cooperatives in Baroda, Saurashtra, Hyderabad, and Rajasthan. The trader-cum-moneylender is found in societies in Saurashtra, Mysore, the Nilgiris, Nellore, and Kashmir. The formidable combination of

the cultivating moneylender-cum-trader dominates the scene in Mysore and coastal Andhra. If the aim of the cooperative credit societies has been to free the cultivators from the grip of the moneylenders, then the moneylenders do not belong in the societies, let alone in the leadership. How, then, have persons who lend money come to occupy so prominent a place in the cooperative movement?

Here we have to bear in mind that the need of the villagers to take loans is crucial and chronic. The bullock may die in the middle of the ploughing season; a son may be seriously ill; in the period between one harvest and the next, the foodgrains in the family jars may run out; etc. At such times the peasant must borrow and he cannot be choosy about rates of interest. He will have to pay whatever is asked. Hence, the lending of money is a very paying proposition. Bigger peasants whose crops have done well may find themselves with funds to spare. In such situations they may very well do a bit of moneylending. Among the well-off peasants, including those who are members of cooperatives, the growth of moneylending may almost be termed a natural process.

Persons well supplied with funds to lend are *ipso facto* important in the villages. If, as we have seen above, they are also active in cultivation or trade, they may be doubly important. As regards cooperatives, such persons may initially resist their formation. Once the societies are established, however, persons who lend may join the cooperatives, perhaps in order to get direct access to the society's funds. When an important person in the village wants to join the cooperative, it is usually hard to keep him out.

We must also note that it may be Government policy to bring the moneylenders into the cooperatives. Perhaps in no area of India in the 1950's did cooperatives expand so rapidly and achieve such complete coverage as in Saurashtra. In case after case among the best cooperatives, the leadership turns out to be the trader-moneylender.

SAHAKARI OR SARKARI?

In many parts of the country the role of Government in the cooperatives is so great that the members consider the societies not as their own but as an instrument of the State. To them the cooperatives appear as a source from which they borrow Government funds. In Sehore District of Madhya Pradesh the Chairman and Secretary stated that they fostered this impression because it helped to facilitate

recoveries of loans. Similarly, in a well-reputed society near Trivandrum, the members were stated to believe that the loans they got from the society were sums from Government. Their term for a loan from the society is, in Malayalam, *sarkar vaipa*, which means Government loan.

The State in which these attitudes and feelings are most pronounced is Madras. There the hand of the Cooperative Department bureaucracy seems to be everywhere, in the person of officials on deputation to run the affairs of local societies. The members of one of the best cooperative agricultural banks in Coimbatore District, for example, consider that the sums they borrow from the society are Government loans. The borrower feels ("has that fear") that since the loan is from Government he must repay in time. The term in Tamil for a loan from the cooperative society is *sarkar kadan* (Government loan).

The societies in Madras appear to be bound down very closely by the Cooperative Department's book of rules and regulations. The consequence not only in Madras but in other States as well, is an inelasticity that has been the curse of the movement. In the Nilgiris, members of small and large societies feel that Government control is very rigid. In bad seasons they cannot count on the Government-controlled societies to see them through. Instead they must turn to the trader-moneylender, no matter how oppressive he may be; when they most need help, they get a kind of "cooperation" from him. But in their hour of need what they get from the cooperative society is a form of "non-cooperation."

POLITICAL FORCES IN THE COOPERATIVES

The impact of politics upon the cooperatives seems to be getting heavier and more direct. In several States the leadership of the cooperatives is heavily sprinkled with active politicians. In Kashmir, Mysore and coastal Andhra, for example, there are many M.L.As. (members of the legislative assemblies) in the top cooperative posts.

Persons who succeed in becoming elected to the legislative assemblies are usually, if they are villagers, from the important and best-off families. They tend to use the cooperatives as levers or weapons in jostling for position with their rivals. Or they show their importance by the number of societies which they keep under their wings. In this connection it has to be borne in mind that the people in

power in the capitals of the various States are pretty much the same people in the seats of power in the villages, only occupying larger chairs. When the Government decides upon a policy of vigorous support to cooperatives, then the people in power bring in their friends and loyal political supporters to implement the policy. Thus under the Congress regime in Saurashtra in the early 1950's, Congress workers were encouraged to start cooperatives. During the Communist regime in Kerala, Communist workers were active in promoting cooperatives.

There is a danger that in this process the cooperatives may become political footballs. No matter how well a society may be run, if it is the other party's or the other faction's society, then a change in State regime may take the ground from under its feet. A dramatic illustration of this is afforded by the Anthikad Toddy Tappers' Cooperative Society in Trichur (Cochin), Kerala State. Early in 1959 the local officers of the Kerala Cooperative Department were proud of the success of the society; visitors were struck by the fact that 11 out of 12 of the directors of the society were themselves tappers who still climbed trees to bring down the toddy.

When the new anti-communist regime in Kerala assumed power after the elections early in 1960, one of its first main decisions was to end the system whereby toddy shops were given on negotiated contracts to the toddy tappers' societies.¹ So intimate a relationship between politics and cooperatives does not augur well for the prospects of the movement.

INTEGRATED SCHEME OF RURAL CREDIT

The most elaborate plan ever devised for the development of cooperatives in India was put forward at the end of 1954 under the auspices of the Reserve Bank. The basic features of this programme were spelled out in the *General Report* which constitutes Volume II of the Reserve Bank's *All-India Rural Credit Survey*. Essentially, the Reserve Bank called for a more business-like approach to peasant farming. This was to be achieved by concentrating credit on the productive needs of farm business. The cooperatives were to make advances to the cultivators as *producers* of crops (not as owners of land). The loans were to be given on the basis that a crop was anticipated, and the amounts of the loans were to be related to the

¹*The Hindu*, March 3, 1960; see also *The Times of India*, May 14, 1960.

estimated outlay for raising the crop. The recoveries were to be made, as and when the crop was sold, from the proceeds of the sale.²

The "integrated" aspect of the Reserve Bank's "Integrated Scheme of Rural Credit" is the effort to link credit and marketing. The credit cooperative was to finance its members on condition that the produce of the member is sold through the nearest marketing cooperative. One of these marketing societies was to serve a number of credit societies. The credit cooperatives were to arrange for collection and transport of the members' produce to the marketing centre. The sums due to the members for their produce were to be paid through the credit society, which would first deduct for outstanding loans. In this way the integrated scheme was intended to ensure recoveries of loans to members.³

The scheme, of course, rests on the assumption that the members of the cooperatives produce crops primarily for sale. As it happens, the main crops of India are foodgrains, most of which the peasant families do not sell but retain for their own consumption. A system such as the Reserve Bank proposed would work best with growers of perishable cash crops like sugarcane or potatoes which require heavy investment and must be sold quickly after each harvest. But the areas under such special items are limited and they can never displace foodgrains as the dominant crop of the country.

We may also note that the Reserve Bank's scheme did not face up squarely to the credit needs of the peasantry to carry on their existence as social beings. From time to time the peasantry must spend on marriages, education, illnesses, funerals, journeys, pilgrimages, etc. Ceremonies and festivals are either the most solemn occasions of life, or occasions for the greatest rejoicing. The peasantry can and will do without neither. One of the main points made in the *Rural Credit Survey* was that the borrowings of the peasants must be understood as an overall "balancing factor." Peasant families, the *Survey Report* observed, get accustomed to a certain level of living. They go on trying to live at that level whether or not in any given year their total resources are sufficient. When they fall short, they borrow. Their loans

²*The General Report*, pp. 386, 433, and 452-53. For a comprehensive assessment of the Rural Credit Survey, see our article, "The All-India Rural Credit Survey Viewed as a Scientific Enquiry," published in *The Economic Weekly*, Special Number, June 1960, Vol. XII, pp. 949-963. The article has been reprinted in *Land and Labour in India*, by Mrs. Alice Thorner and myself, issued by Asia Publishing House, 1962.

³*General Report*, p. 454.

are a "balancing factor," making up the difference between their total current needs and their total current resources.⁴

It is the strength of the moneylender that he is prepared, at heavy cost to the peasant, to play the role of overall "balancing factor." On this crucial ground, the Reserve Bank's integrated scheme, by contrast, offered him no competition. The Bank's scheme made rather vague and grudging allowance for "subsistence" needs in its system of crop loans: "Such needs will be automatically covered if the quantum of crop loans – at so much per acre of the particular crop cultivated – is properly fixed for each area after taking into account all relevant considerations." (*General Report*, p. 433.) One can roughly allocate manure on a crop acreage basis, but it is not so easy to do so with marriages! To be fair, the Reserve Bank did not really attempt to do so; but instead of trying to deal with such problems, the Bank fobbed them off with the suggestion that each credit cooperative should also sponsor a "mutual help" fund ("chit fund").

In India, "chit funds" are known well only in the extreme South. There they are loosely organized, take many forms, and have a spotty record.⁵ The particular version that the Reserve Bank has suggested is exceedingly complicated and no indication is given that it has ever been tried anywhere. This seems surprising, in view of the importance which the *Rural Credit Survey* has attached to credit requirements for family living. Borrowings for "family expenditure" of all types, the *Survey Report* stated, many times overshadowed those for investment or for current production purposes. (*Survey Report*, p. 402.) To have put forward an intricate and untested scheme for dealing with these prime needs was neither business-like nor responsible.

THE ISSUE OF SIZE

When it was put forward in 1954-55, the Reserve Bank's "integrated scheme" was well received. The Government of India accepted the main features of the programme and its implementation figured prominently in the Second Five Year Plan (1956-61). In the second half of 1958 the scheme fell into official disfavour, and the Government policy shifted to "service cooperatives." The discussion

⁴*Survey Report*, p. 262.

⁵V. Krishnan, *Indigenous Banking in South India* (Bombay, Bombay State Cooperative Union, Publication No. 18. August, 1959), pp. 130-143.

of this change in policy has centred on the question of size, the Reserve Bank's "larger-sized" societies (covering many villages) being contrasted unfavourably with societies limited to a single village (or, at most, say three villages).

As we shall see, the question of size was not really the basic issue. But it is convenient to take it up first. The Reserve Bank called for "larger-sized" societies so that each could afford to have a trained, full-time paid secretary. For this purpose it has been estimated that each society would have to make a minimum of at least Rs.50,000 in loans per year. Judged by this criterion the traditional single-village primary societies were, in most cases, too small. Unless each of the societies had a properly-trained secretary, the Reserve Bank argued, they would not be viable. Following the Reserve Bank's recommendations, the various States formed thousands of larger-sized societies by mergers of a dozen or so of the older-type single village societies.

From the time the Reserve Bank's proposals appeared, however, there were those who viewed with regret the way the scheme gave up the single village as the basic unit of rural credit. In their eyes a peasant cooperative did not have much meaning unless the members knew each other well and kept in personal touch. This could not be expected in a cooperative which covered a dozen or more villages. Rather such societies would tend to be not cooperatives but rural banks.

The Prime Minister, who had initially welcomed the Reserve Bank proposals, announced in 1958 that he had been mistaken. Mr. Nehru stated that he no longer agreed with the idea of substituting bigger cooperatives for smaller ones. The bigger societies, controlled by an official, might do some good, but they would also do infinite harm in the sense that they would not teach people self-reliance. Rather, they would encourage the habit of looking to Government for everything. The Reserve Bank recommendations, Mr. Nehru lamented, had encouraged the tendency of Government officials to boss over the people. "We should try to get out of it as quickly as we can and aim at small cooperatives without official interference."⁶

⁶*Times of India*, April 13, 1958.

COOPERATIVES AND LAND REFORMS

When the All-India Congress Committee met at Hyderabad in October, 1958, they adopted a resolution calling for doubling of India's agricultural production in the next ten years.⁷ As might be expected, there were differences of opinion as to what would be required to reach so ambitious a target. An agricultural Production Sub-Committee was set up to make specific recommendations. Meeting in New Delhi, November 6-7, 1958, the Committee drew up two parallel and linked three-year programmes, one involving land reforms, the other involving cooperatives.

Regarding land reform, the Committee recommended that comprehensive, thoroughgoing legislation should be enacted in all of the States by the end of March, 1959. These measures should include ceilings (limits on the larger holdings), which would result in surpluses being taken away from the bigger owners. Implementation of these laws should take no longer than three years, and should be completed by the end of 1961 (i.e., before the next general elections). The surpluses taken away from the larger holders, however, were not to be redistributed in tiny bits. Instead, in the interests of developing a more progressive and better-yielding agriculture, these were to be handed over for cooperative working.

During the same three years that the land reforms were to be implemented, the Committee recommended that multi-purpose service cooperatives should be formed to cover all the villages of India. These cooperatives should be small enough (covering only one or two villages) to allow for personal touch and intimate knowledge among the members. Such cooperatives, however, were not to be considered ends in themselves. If India's infinite number of small holdings were to be able to take advantage of modern farming methods, they would have to be brought together into larger units. Cooperative farming was inevitable, but it would have to come in stages.⁸

The "service cooperatives" were to be the first stage. The next stage would be joint cultivation, in which small holdings would be thrown together to permit farming on a larger scale, while the property rights of the individual holders would remain separate. In his press conference on November 7, 1958, the Prime Minister emphasized the

⁷*The Hindu*, October 26, 1958.

⁸*Times of India*, November 8, 10, and 19, 1958; *The Hindu*, November 29, 1958.

linkage among production ceilings, and cooperative farming.

We think that in every village there should be joint cultivation. Broadly, that is the approach and the question of ceiling is more tied up with cooperative farming. Otherwise there is the danger of production going down.⁹

TASKS OF THE SERVICE COOPERATIVES

In addition to providing credit, the service cooperatives are expected to collect, to store, and to arrange for the marketing of the produce of their members. Except for special crops in particular areas, cooperatives have had very little success in this field. Progress in the development of cooperative marketing may be expected to lag several steps behind the growth of cooperative credit. A large number of the private parties who lend money are also traders. It has been their custom to take their debtors' crops at prices below the going market rates. So long as substantial number of peasants depend for loans upon such traders, the scope for cooperative marketing will remain limited. (Cf. the position of the *Shetkari Sahakari Sangh* at Kolhapur and of the cooperative marketing society at Anakapalli.)

One way in which Government may try to strengthen the cooperatives is by making the societies the chief agents for the distribution of fertilizers and improved seeds. Such a favoured position, however, may not turn out to be an unmixed blessing. In practice the handling of seeds is a tricky matter. If the reputation of the cooperative is not to suffer, the right seeds must be ready at the right times, in the right places, in the required quantities.

To a considerable extent the problem is the same with fertilizers. It is also the case that for some years to come fertilizers are expected to be in short supply. The officers of the cooperatives may find the gratifications offered to them for special favours in the distribution of fertilizers almost irresistible. In this connection the diversion to cash crops of fertilizers provided for the Grow More Food Campaign is worth recalling.¹⁰

The service cooperatives have also been called up to promote such assorted activities as animal husbandry, contour bunding,

⁹*The Hindu*, November 8, 1958.

¹⁰Government of India, Ministry of Food and Agriculture, *Report of the Grow More Food Enquiry Committee* (Delhi, 1952), pp. 45-46.

consolidation of holdings, and more effective use of irrigation water. It is by no means clear how the efforts of the cooperatives along these lines will be integrated with the work already taken up by the community projects and the State agricultural departments. Half a century or more of experience in these fields shows that where achievements have been registered, they have followed upon sustained hard work on a full-time basis by qualified persons. It would seem unsound to expect much by way of accomplishment in these fields from the service cooperatives.

CENT PER CENT ENROLMENT

The goal of enrolling 100 per cent of the village families in the service cooperatives is relatively easy to attain. Saurashtra has shown how it can be done. There is no reason why similar successes cannot be scored in other parts of the country. In the abstract, the idea of having all the village families in the same cooperative might appear attractive. It would seem to represent a social advance by ensuring the inclusion of the bottom half of the population. Because of their weak economic position the labourers, artisans, cropsharers and village servants have generally been kept out of the societies and have failed to benefit from the cooperative movement. These are the elements in village society which have the greatest difficulty in making ends meet and consequently have the most trouble in repaying loans. It might seem heartless to leave them to the mercy of the moneylender while providing cooperative credit and other services to their better-off neighbours. The fact remains, however, that simply bringing the weaker families into the cooperatives does not automatically improve their basic economic position. To gather all these insolvent people up into the cooperatives is doubtless a dramatic gesture. But it means that they carry all their unsolved problems with them into the cooperative. To enroll such families wholesale into the cooperatives before putting their affairs on a better footing is to invite the danger that they will drag the societies down with them.

It must also be realized that cent per cent village membership guarantees equally the enrolment of all the village traders, moneylenders, and landlords. Why should they stay out of the cooperatives when Government will be going to such trouble to funnel funds, supplies, equipment, and assistance through the new societies?

THE WEAK AND THE STRONG

People like to think that a comprehensive, well-supported, well-thought-out Governmental programme of setting up cooperatives will change the pattern of village power. The evidence suggests that the structure of village power has imposed, and will continue to impose, its own pattern on the cooperatives.

This is not to say that in recent years there have been no important changes in village life. A great deal has happened, but not enough to enable the mass of ordinary villagers to shake off the grip of a few dominant families. The great zamindars of the north and once-haughty *mirasdars* of the south have lost much of their grandeur. A good deal of land has changed hands. Universal suffrage has come. Compulsory labour (*begar*) has mostly gone. Nonetheless, in areas where the former men of power have declined, others have risen up in their place. Newly-arrived men may show their strength by acting more arrogantly than effete aristocrats. In western Uttar Pradesh where the old zamindars have been brought down, the local Jats have talked of buying tractors and driving the Harijan labourers (*Chamars*) bodily out of their villages. In the south, landowning *Thevars* have been accused of burning down the quarters (*cheris*) of the labourers.

The fate of land reforms since 1947 furnishes ample testimony to the power of the little oligarchs who run village life. In the past dozen years the States of India have put on the statute books perhaps the largest body of land reform legislation passed in so brief a span of years in any country known to history. The village oligarchs have made a mockery of this legislation, devising 1001 ways of blocking or getting around the law. Their relations and friends in the State legislatures have eased their task by putting numerous loopholes in the laws or adding crippling amendments.

Bombay in recent years was generally considered to have been the best administered of the States. The Bombay Tenancy Act of 1948 has been cited as a model land reform law. A detailed study made for the Planning Commission found the implementation from 1948 to 1953 to have been a dismal failure. The overriding social and economic power of the landlords against their tenants was so great that they did not even bother to take cognizance of the reforms. "For all practical purposes," the authors concluded, the Bombay Tenancy

Act “did not exist.”¹¹ The top families in the Bombay villages were, in other words, able to disregard with impunity land reforms carrying the full sanction of the law.

In the eyes of the dominant families the ordinary people are inferiors, dependants, or servants. The little people lack land, education, influence, connections, staying power, resources. Often they even lack work. The top village families are not great lords, but they are strong enough to get the small folk to do their bidding. The dominant families try to abstain from the actual work of cultivation; they get others to turn their sod and lift the water for their fields. Nevertheless, the dominant families consider themselves the principal “cultivators.” They are precisely the top groups who, according to report after report of the Planning Commission’s Programme Evaluation Organization, have been securing for themselves the main benefits of the Community Projects. Similarly, with the water from many of the vast new irrigation projects: they see to it that their fields get the water first and foremost, and leave the rest for the ordinary, weaker folk. Where the panchayats function, these *bare admi* are in the chairs. If labour is demanded in the name of village, the ordinary people must go out in the hot sun. The men from dominant families do not; they send money or lend the use of a tractor.¹²

Firmly lodged in the chief positions of village power today, the dominant families stand ready to seize the lion’s share of the vast programme of cooperative development. As the U.P. peasants say: “*Jis ke pas jitna hai, utana use milta hai.*” (To him that hath much, much shall be given.)¹³

COOPERATIVE JOINT FARMING

It is hard to believe that the service cooperatives will provide a transition to joint farming. Here we have to note that the pressure for

¹¹*Working of Bombay Tenancy Act, 1948: Report of Investigation* by V.M. Dandekar and G.J. Khudanpur, Gokhale Institute, Publication No. 35, Poona, 1957, p. 187. The general pattern of land reform in India is discussed in my book, *The Agrarian Prospect in India: Five Lectures on Land Reform*, Delhi School of Economics, University Press, Delhi, 1956. Second edition, Allied Publishers, Delhi, 1976.

¹²Cf., “Charter for a Rural Plutocracy,” *The Economic Weekly*, March 12, 1960, Vol. XII, pp. 438-39.

¹³For this free but apt translation I must thank Mr. Thomas B. Keehn.

such group farming does not spring from India's villages. It is rather a policy laid down in New Delhi. The village strong have not asked for joint farms; they do not intend to surrender control of part or all of their land in favour of their tenants, cropsharers, labourers, or poorer neighbours. Nor, indeed, have these small folk demanded to be allowed to farm jointly with the bigger people. To the extent that the small people of the villages have asked for anything, it is to have in their own right some or all of the land now in the hands of the dominant families.

In the Indian framework today, if cooperative farming is to come, it would have to be imposed. The Government of India have made it clear – to all those willing to listen – that they do not intend to *impose* cooperative farming. Even if they were to try, there is no reason to believe that they could succeed. After all, to date, the Government of India have not been able to get the panchayats, land reforms, or community projects to work along the lines laid down in New Delhi.

At the Centre, in the States, and in the Districts, the administration is manned by men who do not believe in cooperative farming. If anything, they have less faith in this latest Governmental policy than in panchayats and community projects, to say nothing of their hostility to land redistribution.

There are, however, two kinds of cooperative farms which are likely to increase in number. First is the type so useful in evading land reform, the so-called cooperative which is really a single-family enterprise. Once a group of relatives convert themselves into an agricultural cooperative, they are eligible for such benefits as loans, subsidies or outright grants from Government; priorities in securing good seeds and scarce fertilizers; and the free services for several years of a trained secretary. The official review of the cooperative movement in Punjab for 1958-59 reported that:

...a very large number of cooperative societies are, in effect, owned exclusively by influential families with a bogus membership of some outsiders to give them the appearance of cooperative bodies.¹⁴

A second type of which we may see more specimens is the kind of State-sponsored cooperative farms I found at Belligetti in Dharwar District (formerly in Bombay, now in Mysore), Kumbhapura in

¹⁴Cited in *The Hindu*, March 14, 1960.

Mysore, Ashokpuri in the Etawah pilot project area (U.P.), and Jehangirpura near Bhopal (M.P.). Here poor or previously uncultivated lands were made available by Government to special groups of Harijans, labourers, evicted peasants, or displaced persons. Situation, quality of soil, and availability of water were usually unpromising. The initiative in forming these joint farms had come from outside. The motive power to keep them going was furnished primarily by the State Governments which provided money, officers, supplies, and equipment. Joint farms of this description are expensive and unrewarding.

CONCLUSION

Experience in many countries has shown that cooperatives can serve as a means by which peasant cultivators can help each other to improve their position. But the success of rural cooperatives presupposes a modicum of social equality, political democracy, and economic viability among the villagers. These preconditions have not been present in village India and are still not present today. If the cooperative movement in India is to get anywhere, two things must happen *first*: (1) the power of the village oligarchs – the leading people, the *mukhyestaru*, to use the Kannada expression – must be curtailed; and (2) the Government must become an instrument of the ordinary people, and must be considered as such by the ordinary people.

What is happening in India today is that the cooperatives are being asked to create their own pre-conditions, to reconstruct village society so that the ordinary peasants can make effective use of the cooperative method. This is too much to expect. To rush ahead prematurely with cooperatives is to invite failure and give to cooperation a bad name.

FIELD NOTES

CHHOTA NAGPUR

While driving north from Cuttack to Ranchi, I happened to meet a well-placed officer of the Government of Bihar. In his previous post he had spent the last few years trying to build up the cooperatives in the Chhota Nagpur Division. When he was first posted in Ranchi, there

were about 60 village cooperatives in the area, and they were all unsuccessful. Before he left they had increased the number to about 70 but, he lamented, there still was not a single one among them that could be called successful. After I reached Ranchi, I told this story to the senior-most cooperative officer whom I met there. He at once offered to take me personally to a good cooperative in the Adivasi area. That afternoon we drove west from Ranchi along the first-class road that eventually reaches Daltonganj, the headquarters town of Palamau District. After driving about 30 miles we crossed over from Ranchi District into Palamau and three miles later we reached our destination, the village of Senha. This lies in a community development area, the Chandwa Stage I Block.

Senha is a small village with a total area of some 500 acres; of these about 200 are Government forest land. There used to be a major zamindar here, but he was successfully persuaded by *sarvodaya* workers in 1953 to give his land as *Bhoodan*. In fact, we were told, nearly everybody in the village had surrendered their rights in favour of Acharya Vinoba Bhave; the only exceptions were two tenants, who clung to what they had. In due course the land gifts were properly registered and then the land was redistributed. There are 26 families in the village, of which 19 are Mundas, 3 are Oraons, another 3 are Ahirs (shepherds-cum-milkmen), and 1 is Brahman. Before *Bhoodan*, there were two or three families in the village which had no land. In the process of redistribution they were given land and the holdings of those with only tiny bits of land were enlarged.

The distinctive feature of Senha today is that it is a *sarvodaya* village. The *sarvodaya* worker who came to the village in 1953 to organize *Bhoodan* has never left. Instead he has continued to work there, has brought his wife and children, and seems to have settled down in Senha for good. His goal is to transform Senha into a 100 per cent *Gramdan* village, in which all the agricultural land will be worked as one joint farm. It was he who organized a cooperative society in the village in 1956, under the name, *Senha Sarvodaya Sahjog Samiti, Ltd.* He has persuaded practically all the villagers (excluding of course the two recalcitrant tenants) to join this *Sarvodaya Samiti* and to give the bulk of their land to the society. The *Sarvodaya* worker told me that Senha was the best *Bhoodan* village in Palamau, perhaps even the best *Gramdan* village in Chhota Nagpur. He used the terms *Bhoodan* and *Gramdan*

interchangeably, telling me: "*Bhoodan aur Gramdan* eki chiz hai." (*Bhoodan* and *Gramdan* are one.) In a few days, he told me, the President of the *Bihar Bhoodan Samiti* would be visiting Senha, and his (the *sarvodaya* worker's) aim was to announce at that time that the village had agreed to 100 per cent joint cultivation.

The *sarvodaya* worker could not wait to show me the pride of Senha, a large well which the villagers, under his direction, were trying to cut through rock, blasting when necessary. Sometimes, he said, they even worked right through the night. In any event, the villagers had simple lives: they worked, ate, drank, made merry, and slept. When we reached the well, we found it was already deep; they had worked their way down through much rock. At the bottom we found nearly a dozen men, the oldest of whom was a member of the cooperative society's board of directors (a *panchayatdar*). It turned out that he was a Munda (his name was Delka Munda), and that one other director and the secretary were Mundas; another director was an Oraon; and the president, the treasurer, and the remaining director were Ahirs. The *sarvodaya* worker had the title of "convener" of the cooperative.

Taking advantage of the fact that the villagers were glad to relax in the cool depths of the well, I asked them how they had benefited from *Bhoodan*. They said they were pleased to see the zamindar go. He and his agents used to be very severe with them, make them do unpaid work, and order them around: "Cha banao! Dudh lao! Pani lao!"¹⁵ (Make tea! Bring milk! Bring water!) Now that the zamindars had gone the villagers had more land.

In view of the history of *Bhoodan-cum-Gramdan* in the village, I tried to find out from those present how, in their opinion, the land of the village was now held. Was it the land of the village? Was it everybody's land? Was it their land? From the secretary of the society, who was with us in the well, I could only get vague answers. The oldest man present (Delka Munda, the *panchayatdar*), was more positive: he answered in the affirmative to all three questions. Previously the land had been with the zamindars; now the land belonged to the village, to everybody, to us. "Gaon ko mila hai." "Sub log ko mila hai." "Hum log ko mila hai."

When we tried to pursue the subject further, he explained that there

¹⁵The language of the village is not Munda, but Saadri, which, I was told, is a mixture of Hindi and Urdu.

was no difference among his three answers; they all meant the same thing. When we asked whether the land today belonged to the village or to the Mundas, at first he replied that the land, he felt, was the land of the Mundas. He qualified this by adding that he was not sure he had understood the question. When the question was put again, he said he grasped it, and that in his opinion the land belonged to the village. He also said that there was no difference between the village and the people who made it up. The rest of the villagers in the well looked quite puzzled; clearly they could not make head or tail out of all this. From this discussion I was led to wonder how much clarity there was in their minds – or in anyone else's – about just who was the recipient, when such villagers made gifts of land "to the village."

We climbed out of the well, in order to go to the house of the president of the society. As we started to leave, the *sarvodaya* worker said briskly, "Kam kariye!" (Get to work.) When we were at the top of the well, he looked down and saw that the Adivasis had still not moved; he shouted to the old man, "Kam kariye, Delka Munda!"

We soon reached the house of the Nayak (headman), an Ahir by the name of Kewalal Mahto. When we did, the *sarvodaya* worker instructed him to go and fetch up a cot (*charpoy*). After we were seated on it, the headman informed us that he had been president of the village *Bhoodan* group for the past five years. He was one of those, he told us, who had benefited from *Bhoodan*. When the lands of the zamindar were redistributed, he had got 7 acres. Of these, two acres were wet (paddy land), and the rest were dry. How much of this land, we asked him, was still with him. He answered that he had given the dry 5 acres to the Samiti for joint cultivation; he had retained for separate cultivation by his own family the two acres of paddy land. From this they got their food. In doing so he was merely following the general pattern in Senha: people kept in their own hands the good, paddy land; then gave the poorer dry land to the society. It was plain from the way he spoke that he was in no mood to give up his paddy land.

While we were talking, at about six p.m., a crowd of cattle and buffaloes came trotting by. The president interrupted the discussion by getting up, going over to his cattle shed, and starting to tie up his own animals. His lack of haste annoyed the *sarvodaya* worker, who shouted to him brusquely: "Jaldi karo, pradhan mantri!" (Hurry up, Chief Minister.) Just then a group of women returned from working in the fields and lined up before the *sarvodaya* worker. He sent for a

register and entered in it the number of hours that each woman had worked.

When we asked the president who now held the village land, he came back with a nice turn of phrase. There are no *maliks* (owners), he answered, or all are *maliks*. ("Is goan ke malik sub koi, nei to koi nahin.")

As it was getting late, my companion and I got up, took their leave, and started back to Ranchi. While driving we could not help but discuss the dominant man of the village, the forceful, hard-spoken *sarvodaya* worker. It was plain to us that he planned, directed, and personally supervised the work of the village. He was used to telling the Adivasis what he thought was good for them. While it might be too strong to say that he browbeat the villagers, he certainly was used to having his own way. The Adivasis had been freed of their zamindar, but did they now have a new kind of village super-headman?

COASTAL ANDHRA

In the field of cooperation, coastal Andhra is a land of extremes. In the southern districts, cooperatives function at as low a level as can be found in India today; while in the northern district of Vizagapatam, the cooperatives rank among the country's finest. Since I entered Andhra from the south, the cooperatives in Nellore and Guntur districts which I visited first were the worst. In recording this opinion, it is only fair to add that the harshest judges of the working of cooperatives along the south Andhra coast were officers and directors of those cooperatives. They vied with each other in pointing out the most serious defects of their societies, perhaps partly in the hope that thereby they would bring closer the day when those deficiencies would no longer be present.

Nellore District has the panoply of agricultural cooperatives that is fairly common today: central cooperative bank, district marketing society, cooperative rural banks, large-sized societies, multi-purpose rural credit societies, and ordinary single village primary societies. When I asked cooperative officials how much the ordinary small and middle peasants benefited from the complex structure, they told me frankly, "Not much." The cooperatives furnish less than 10 per cent of the district's total rural credit needs. Less than one per cent of the main crop, paddy, is cooperatively marketed. To get a loan of more than Rs.500, the peasant must not only have land, he must hold it as

an owner. In practice all loans of more than Rs.500 must be secured by unencumbered, immovable property. Credit continues to be linked to land assets, not to production.

The implication of this will be clearer when we review the current landholding position in Nellore District. According to the senior-most cooperative officers and directors, half of the people in the district are not landholders and get little benefit from the cooperatives. On the other hand, the minority who have much land and good connections have many ways of securing substantial benefit.

The larger or largest landholders almost invariably provide the office-holders and directors of the cooperatives. Frequently they themselves and their family members are among the largest borrowers. Loans taken ostensibly for agricultural purposes may not be spent for that. District bank officers told me that of 128 loans given for pump sets in one year, only 8 were actually bought. The same position holds for loans to build wells. Instead, agricultural credit is being diverted to water transport, mica, cattle, or other business. This is so notorious that central bank directors told me that among the bigger people a cooperative rural bank or big society is no longer an aid in running a non-agricultural business, but a necessity. To start or to expand their private, non-agricultural business, the bigger people form a larger-sized society or a cooperative rural bank. They know how to bring sufficient pressure from above on the local registrars and central bank officers so as to get what they want.

"Emmelaitis"

As in Coimbatore District the cooperative movement in Nellore plays a subordinate and secondary role to that of the private trading-moneylending processing interests. Peasants repay their loans, reborrow, and hand the cash over to the private merchant-moneylenders, some of whom are owners of private rice mills, who use it in their own operations. Quite a number of these merchant-moneylenders are themselves substantial landholders who belong to or are heads of cooperative societies. The cooperative movement in coastal Andhra is permeated with politics, certainly with politicians. At the centre of the biggest cooperative operations (i.e., in the district marketing societies, the central banks, and the cooperative rural banks), one is almost certain to find in Nellore and neighbouring Andhra Districts one or more M.L.As. This condition, which affects

not only parts of Andhra but many other areas of South India, may be called "emmelaitis". So far as Nellore District is concerned, a number of the biggest names in Andhra Pradesh surely must know what is going on there, since they themselves hail from that district.

The cooperative movement of Vizagapatam District stands in sharpest contrast to that of Nellore. This is particularly true of the societies in Anakapalli and Yellamanchili Taluks, where a pilot project was undertaken in 1956, for the merger of about 150 small credit societies into less than thirty of the large-sized cooperatives recommended by the Reserve Bank's *Rural Credit Survey*. The leadership of the pilot project has come from the Cooperative Central Bank of Vizianagaram.

In visiting four of these new large-sized societies, I was struck at once by the fact that their heads and directors were agriculturists. They either went out to work in the fields with their own hands, or they gave regular, direct, on-the-spot supervision to their labourers. From several angles of approach I endeavoured to ascertain whether there were among them any merchants, moneylenders, contractors, or other business men. The members of the Anakapalli cooperatives, I was repeatedly assured, knew very well that these business people were unsuitable for responsible posts in cooperatives; very few moneylenders were even members of the societies, and those who had joined were kept far away from the helm of affairs. As might be expected, some of the directors of the central bank and of the district marketing society were big people; among them, however, I could find only one solitary M.L.A. In the large-sized societies at the village level, however, there were no giants; most directors were simply small or middle-sized landowners.

They conceded that so far they had not done much for tenants and labourers. In the past, the main basis for loans had been the security of land. Hence well over half of the cooperative members had been land owners: many of these, of course, were small or tiny owners. Now, as part of the Pilot Project, the societies were shifting over to a new basis for credit. They were keeping comprehensive records on their members, showing the total income of each, indebtedness, expenses, etc. From these records the societies desired to arrive at a calculation for each member of "estimated surplus" or "saving capacity". On this basis they hoped to make more realistic loans, not

only to owners, but to tenants and even labourers.¹⁶ They were already enrolling more tenants and labourers as members, and trying to give them larger credit than in the past.

Anakapalli Pilot Project

The societies in the Anakapalli Pilot Project are keeping other valuable statistics. Their tables of distribution of loans by size were particularly interesting. They show that, unlike the Kolhapur case, most loans are made in small and medium amounts; the total amounts lent in units of Rs.500, Rs.1,000, or more, do not seem disproportionate. This would tend to confirm my impression that, unlike Nellore, the big people in Vizagapatam are not in control of the societies and are not exploiting them for their own ends.

In contrast to many other parts of India, the cooperative movement in Vizagapatam does not seem to be subordinate to the sowkars, dalals, or other middlemen. If anything, the societies are gaining at their expense. The total amount of credit advanced at low rates of interest by the cooperatives has been growing rapidly. In the vicinity of Anakapalli the cooperatives are lending so much that they are causing a fall in the moneylenders' rates of interest. Whereas these used to run around 12 per cent, 18 per cent, 24 per cent, or more, now the big landlord-moneylenders are reported to be *asking* peasants to come and borrow at 9 per cent per year. Some of the big moneylenders are stated to be giving up their old profession and going in for cinema buildings and for P.W.D. contracts.

In its work at Anakapalli the Cooperative Central Bank has scored a number of important successes. In part, this is ascribable to the fact that the directors, officers, and staff of the bank itself are strong in character and competence. They have planned their work in a careful and methodical fashion; and at each stage they seem to have explained in a convincing fashion to the peasant members of the societies what they were about and why. Far from issuing premature press releases, they seem to have done their work quietly, without benefit of publicity.

There are some background reasons which may help to explain why the work has gone well. The Maharajah of Vizianagaram, quite some

¹⁶The societies had not been successful in getting their members to tell how much they owed to private sources of credit.

decades back, used to have the largest zamindari tract in British India. Long before the days of *Bhoodan*, he renounced his ownership rights in favour of the peasants, and thereby turned them into holders of raiyatwari rights. He performed a number of other notable acts, which helped to develop in Vizianagaram a spirit of public-mindedness and civic responsibility. We should also note that Vizagapatam is not a rich delta area, with the great extremes of wealth and poverty so frequently found in these tracts. Instead the soils of the district are on the poor side, and the water supply far from the best. There is a large mass of middle to small peasant holders. They are sufficiently spirited so as not to be intimidated by the big people; on the other hand, they are not so competitive, individualistic, or quarrelsome that they cannot cooperate with each other.

In one crucial sphere, however, the Anakapalli Pilot Project has progressed rather slowly, that is, in the linking of credit and marketing. As the Central Bank President himself stated, the total loans issued to members of the large-size societies in the year 1957-58 amounted to more than 100 lakhs of rupees; but the societies used the cooperative agency for the marketing of members' produce only to the tune of about Rs.22 lakhs. In other words, the Reserve Bank's scheme of integrating credit and marketing still has a long way to go in Anakapalli. Here it should be noted that, like Kolhapur, Anakapalli is one of India's greatest jaggery centres. The trade is a lucrative one; to maintain their control of it, the private dealers will fight long and hard. As against the cooperatives, there are many points in their favour.

As we have seen elsewhere, the private traders can advance as much as they want to the peasant producers, and they can advance for any purpose. The cooperative marketing society at Anakapalli, which mainly handles jaggery, used to try to match the flexibility of the private traders in giving credit. The Reserve Bank, however, has called for the separation of the marketing function from the loan function. In deference to these orders from higher up, the Anakapalli Marketing Society no longer gives advances to the members of cooperative societies. In the last few weeks of the cane-cum-jaggery season, however, the peasants almost invariably need a final instalment of credit, to help meet the costs of converting their cane into jaggery. They used to get this from the Marketing Society. Normally they cannot hope to get it from their own cooperative credit society, because they have already borrowed from that society up to their limit. In this situation, they have had to turn to the private trader.

According to the Cooperative Central Bank, this is an important reason for the large gap between the total cooperative advances to members, and value of total produce marketed through the cooperatives. The Central Bank officers do not wish to question the *principle* of separating the marketing from the credit function. But they do feel that the principle should be applied at the right time. When the cooperative marketing society at Anakapalli was made to stop giving advances to peasants, there was no other cooperative agency ready to take over its credit function. There still is none. Had the marketing society gone on issuing credit as in the past, much more jaggery, they say, would have been cooperatively marketed.

SAURASHTRA

The work of organizing cooperatives has been given a high priority in Saurashtra. During the past ten years the authorities have been proceeding very rapidly toward their goal of having every village or group of villages served by a cooperative society. One is inclined to wonder whether the pace of activity in forming cooperatives in Saurashtra has been matched anywhere else in India. In many hundreds of villages of Saurashtra, the authorities told us, cent per cent of the cultivators were members of cooperatives. Thus in the district of Madhya Saurashtra, which includes Rajkot there are said to be today 284 villages in which all the *khatedars* (holders of land) belong to cooperatives. We were told, in fact, that many of these cultivators were so well off that they did not really have to belong to any society. The cooperative organizers had nonetheless persuaded them or put pressure on them to join because the achievement of 100 per cent membership among cultivators looked so well on the records!

There are many reasons why Saurashtra should have provided favourable ground for cooperative organization. Saurashtra has been famous for its trading activity since remote antiquity. Its peasants, who grow money crops like cotton and groundnuts, have a keen sense of business. As against the supply of credit at exorbitant rates from traders or moneylenders, they can easily understand the advantages of societies which provide them substantial credit at low rates. They also know the wisdom of prompt repayment of loans, to keep up the good reputation required for getting adequate credit.

The agricultural economy of Saurashtra is noteworthy for the relatively large size of holdings and for the relatively good condition of

the livestock. Furthermore, there are many non-agricultural activities in Saurashtra – the area is perhaps less dependent on agriculture than any other sizeable region in India – and these help to provide the cultivators with a good market or with supplementary sources of work or income.

As an area which was first organized into a State in 1949, Saurashtra came under a vigorous new administration. The shift from princely to popular rule also brought into prominence a relatively young group of political leaders and social workers. Determined to modernize their State, they pursued an energetic go-ahead policy. In this they had ample support from, and good connections in, the Central Government and Congress headquarters in New Delhi. To a considerable extent the momentum of their activity continued in the years after 1956, when Saurashtra was absorbed into Bombay State. Saurashtra today, it should be noted, is completely covered by community projects, either of the intensive block type or the national extension service.

Early in the 1950's the Saurashtra Government put down the near-rebellion of Bhupat and his friends among the former Princes. The land reforms in Saurashtra, principally *girasdari* abolition, constitute a major achievement. Parallel with their work in the cooperative field, the Saurashtra leaders have also been launching panchayats. Today Saurashtra is covered with panchayats and cooperatives; and at the village level, the same local leader is very often the head of both organizations.

Kevadra

One of the outstanding societies in Saurashtra is in the village of Kevadra, about 10 miles from Keshod, in the best-off district of Saurashtra, namely, Sorath. Accordingly, we drove down from Rajkot to Junagadh and then via Keshod on to Kevadra, by excellent roads all the way. In Kevadra the leading figure is Thakkerseybhai Dhanji. Up to 1949 he had been a moneylender-cum-trader. He also had a cloth shop in Keshod, while in Kevadra itself he operated, together with three partners, a mill to expel oil from groundnuts. The ordinary cultivators in Kevadra were at that time very short of credit; they had so little, in fact, that to get money they used to sell their standing crops at low prices to the moneylenders-cum-traders. A registrar of cooperatives came to Kevadra and told Thakkerseybhai

he should start a society. He did so and, for some time, ran his own shop parallel with the cooperative. Then he closed down his shop, gave up moneylending, and applied himself only to the society. In 1952 he sold to the society at cost prices his oil mill and his huller for husking paddy. He has continued all along as head of the cooperative, while one of his partners is the secretary. Thakkerseybhai is also *sarpanch* of the village panchayat.

The society today provides, we were told, all the agricultural finance of the 160 cultivators from Kevadra and one other nearby village who belong to it. They also get their seeds, fertilizer, and manure mixture from the society. Practically all of the members, we were informed, sell their cash crops through the society. The society also has a shop which sells cloth, sugar, gur, cereals, pulses, and other daily requirements. To members the society can sell on credit; this facility helps them to meet some of their non-agricultural needs for credit, e.g., the foodstuffs for a wedding feast. The area is quite prosperous, we were told, and cultivators usually can finance their personal needs from their own surpluses.

The groundnut oil mill which Thakkerseybhai sold to the society is reported to be very profitable. In the current year it is expected to make a profit of about Rs.20,000; the price at which it was sold to the society is only Rs.24,000. The mill employs a number of regular workers; the male employees are paid at the rate of Rs.2 per day.

The Kevadra Society is distinguished by the fact that it has about 90 to 100 non-landholders as members. To them (Harijans, agricultural labourers, smiths and carpenters) the society is prepared to lend up to a limit of about Rs.200. Out of its charity funds the society buys schoolbooks for the children of its members.

For the past half-dozen years Thakkerseybhai himself has been cultivating land, and so has the secretary of the society. The actual work in the fields seems to depend on annual labourers who are called *Sathis*. They may be paid anywhere from Rs.200 to Rs.1,000 per annum; the average seems to be about Rs.350 to Rs.400. This is exclusive of food, cloth, etc. which are also provided by the cultivator. The *Sathis* are not paid a share of the crop, we were told, because of the legal restriction (which presumably endangers the holdings of those who get their land cultivated through cropsharers).

The officers of the Kevadra Society told us that there were 4 or 5 other cooperatives like theirs in Keshod Taluk, covering altogether 15 or 20 of the 52 villages in the taluk.

Thana-Pipri

From Keshod we proceeded to Vanthali, a neighbouring taluk in Sorath District, and visited the active society in Thana-Pipri. Like Kevadra, this cooperative has a wide range of activities in credit, marketing, agricultural supplies and sale of such consumers goods as cloth. Although it has just built a godown, it has not yet gone on to erect a processing mill; the officers hope to have by next year a ginning mill and an oil mill.

The Thana-Pipri Society was started in 1949, at the suggestion of a leading figure in Rajkot. From an original list of 50, the membership roll has steadily gone up until today it stands at 406. The cooperative covers three villages which have a total of 280 landholders (*khatedars*); of these, 268 are in the society. The maximum which the society lends to a member is Rs.1,500. At the time of our visit, 40 persons had received loans of this size. The total short-term loans made by the society amounted to Rs.1,45,000; while the medium-term loans totalled Rs.20,000.

The society has keen competition from local merchants in marketing groundnuts. The officers feel that they have had more success in the field of credit. Previously there used to be 15 moneylenders in Thana-Pipri, whereas now there are only 5. The founder of the society himself had been a trader (which in this area normally means moneylender as well). He told us that the society cannot lend much on a long-term basis to small cultivators. Previously, he said, they used to have to resort to the traders. Now there is a land mortgage bank which gives them up to 40 per cent of the value of their land. He also told us that the cultivators here usually had a surplus after they had sold their crops and paid off their loans to the society. This surplus they would draw on for weddings, other unusual occasions, and extra expenses. Then they would borrow again from the society for agricultural purposes.

Quite a number of the smaller cultivators and others go to the traders for their marginal requirements of Rs.100 or so. If the society could lend these marginal amounts to them, he said, they would not go to the traders.

Vanthali

We went on from Thana-Pipri to the taluka town of Vanthali, which

has a population of 14,000. Vanthali, we were told, has the richest land in all of Saurashtra. About 500 *khatedars* (landlords) live in Vanthali, of whom 437 are members of the local multi-purpose cooperative society. The chairman of the cooperative is Muljibhai Patel, a well-known Congress worker. When we called upon him, he told us that one of the first two community project blocks in Saurashtra had been started in Vanthali. The community projects authorities indicated that a cooperative in Vanthali would be desirable. There was great opposition to this idea from some agriculturists who were simultaneously active in trading and moneylending. The other cultivators decided to take things into their own hands. Under the leadership of Muljibhai Patel, who holds 60 acres, they formed a society about six years ago. Muljibhai became the first Chairman and has held the post ever since.

The society has been particularly successful in the fields of credit, marketing, and sale of supplies. Last year the society advanced Rs.2 lakhs to its members. The average loan amounted to Rs.500. The maximum loan was Rs.2,000, which was made available to 30 or 40 members. During the current year the society has sold as commission agents Rs.16 lakhs of produce. The society handles, Muljibhai Patel told us, 90 per cent of the cash crops (cotton and groundnuts) of its members. As against the private traders, Muljibhai told us, the society gets the support of its members by giving them full weight for their produce and by paying them a slightly higher price. The society also makes available to its members a wide variety of supplies and services. The most interesting of these is protection against roaming cattle which are a great trouble in this area. For a small charge per acre the society has stationed men armed with guns who protect the members' fields against these animals and the shepherds who let them loose.

According to Muljibhai no member of the society now has to go for finance to a trader or moneylender. As a result, he said, ten cultivators-cum-moneylenders who had previously opposed the society had now given up moneylending. Today they only did cultivation and trading, because they could not compete in credit with the society. In fact, they had now become members of the society. The society proposes to expand its activities by going on next year to the building of a cooperative oil mill and other processing facilities.

In Madhya Saurashtra District we visited three well-reputed societies, each of which had its own interesting peculiarities. The first of these was the multi-purpose society at Sardhar which lies 17 miles

to the east of Rajkot, on the highway to Bhavnagar. This society had the largest membership among those we visited in Saurashtra, namely, 551. Its total advances to members were correspondingly large, namely, Rs.2.5 lakhs for short-term loans and Rs.1.2 lakhs for medium-term loans. Further, against produce deposited with it for sale, the society had advanced another Rs.2 lakhs. Four out of five members of the society, we were told, sold the great bulk of their cash crops through the society. The officers of the society assured us that in credit and marketing the old grip of the traders over the cultivators had been broken.

There are some limitations on the activities of the society which may be worth noting. The society lends only to members, but as members it has only *khatedars* (landholders). Further, the only loans which it has been making are for agricultural purposes. The normal limit of short-term loans is Rs.750 while that for medium-term loans (three years) is Rs.2,000. The members of the society can get loans from it for personal purposes only by entering some other reason on the loan application form. There is reason to believe that some have been doing this.

Non-landholders comprise somewhat more than 50 per cent of the 10,000 people who live in the 15 villages served by the Sardhar Society. To date the cooperative movement has not reached these people and they continue to be dependent upon the traders-cum-moneylenders, whether registered or unregistered. We were informed that the secretary of the society, right from the start in 1955, has been a man of *girasdar* class. These ex-landlords have not always been noted for their cooperative spirit toward mere cultivators, let alone the less fortunate (possibly Harijan) agricultural labourers.

Sindhavadar

The society at Sindhavadar is stated to be the most active in Wankaner Taluk, but by contrast with the ones we visited in other talukas it is a modest operation. In an area of 4 villages it has 141 members; the total loans in the current year amount Rs.40,000. Loans have been made to 106 persons, the largest loan amounting to Rs.650.

The secretary of the Sindhavadar Society since its inception in 1950 is an ex moneylender-cum-trader. He said that he was acquainted with the registrar of cooperative societies, who told him it was desired to start a cooperative society. He accordingly undertook the task.

beginning with only 11 members. The president of the society is a Muslim who is active in the Wankaner Taluka Cooperative Bank; one of the members of the society's managing committee is *sarpanch* of the Sindhavadar village *panchayat*.

In view of the restricted scope of the society's activities we were not surprised to be told by non-members of the society that there was a good deal of informal moneylending in the village, on a person-to-person basis. Some of the bigger people in the village, including the *sarpanch*, were stated to do this, but it was not clear what rate of interest they charged, if any. We were also informed that there was an intriguing system of lending money at what would appear to be no interest at all. Rather than take interest, the creditor would purchase his debtor's crop, but perhaps pay him only 30 per cent, 40 per cent or 50 per cent of the value.

One of the most active societies which we visited is at Kolithad in Gondal Taluk, 26 miles from Rajkot. This society provides credit, markets produce, sells foodgrains and agricultural supplies, processes groundnuts, and will soon be ginning cotton. In the 12 villages which it serves it has 522 members, all of whom were landholders.

Prior to 1950 there was nothing, we were told, by way of cooperation here. The idea of starting a society came from the Assistant Registrar who was the younger brother of one of the leading Patels in the village. They began with 25 members and a small amount of capital. Their work in credit and supplies went well. Some of them had been thinking about starting an oil mill privately, but they were persuaded by the Assistant Registrar to launch it on a cooperative basis. For a long time they were worried as to how they could raise the funds for so large a venture. In the end they spent Rs.23,000 on land and buildings and Rs.21,000 on oil mill machinery.

They met these expenses by putting everything they had into the oil mill, including their share capital, their deposits, borrowings, etc. The Saurashtra State Cooperative Bank in Rajkot has aided their venture by lending them Rs.20,000 on a short-term basis, against the personal responsibility and signatures of the chairman and members of the managing committee of the Kolithad Society. In the first six months of operation the mill earned a net profit of Rs.7,000. The society hopes to earn an equal amount in the next six months. They are worried, however, about competition from private mill owners in Gondal and Rajkot who, they say, offer a better price to the peasant producers but cheat on weight and by various deductions.

The head of the society, who is also village *sarpanch*, told us that private moneylending had declined around Kolithad. Nonetheless, there were a number of well-off cultivators who were still lending privately. Formerly, these agriculturist moneylenders had not been members of the Kolithad Society. There was no advantage to having them as members and they were not wanted. The pressure to enroll them came when the authorities in Rajkot raised the target of cooperative membership among landholders from 75 per cent to 100 per cent. Then they were taken; some of them are now on the Society's managing committee. They are in a minority there, we were assured, and so cannot do any harm.

In considering these Saurashtra societies as a group one is led to wonder about the extent to which the cultivators in this well-off area are coming forward to cooperate in the use of their *own* resources; or whether they are showing more active interest in obtaining access, by following prescribed procedures, to grants, subsidies, loans, advances and other aid from the State. The principal activity of these societies is the fostering of cash crops. Under cooperative auspices land previously under foodgrains may be going over to cotton and groundnuts. In the context of India's food shortage this may not be an altogether desirable development.

One is tempted to refer to the Saurashtra societies as a case of the fusion of *sarkari*, *sahakari* and *sowkari*; and to wonder how stable, in the years to come, this mixture will prove.

9. Coastal Andhra: Towards an Affluent Society*

I came back to Andhra in August 1966 for the first time since 1959. The purpose of my journey was to see how the coastal region of Andhra contrasted with the shortage areas in which I had just been travelling, namely, northern Bihar, lower Bengal and inland Orissa. About these regions where some people were eating only two meals a day and a few – but only a few – were getting only one proper meal a day, I shall be writing subsequently.

As contrasted with the pockets of distress in eastern India, I found coastal Andhra to be a completely different world. Practically everyone had the equivalent of two-and-a-half to three meals a day. This was true even in non-irrigated villages, though in these the meals of the poorest villagers might be dull and repetitious – ragi gruel and ragi porridge alternating with ragi porridge and ragi gruel.

Best off were the delta districts, such as East and West Godavari. There even the families of agricultural labourers who were utterly landless earned enough to eat three rice meals per day, supplemented by vegetables, spices, chillies, occasionally dry fish and tea, coffee or toddy.

Compared with the rest of India, this was, in relative terms, an affluent area. The deltas abounded in signs of change, development, progress. It was no accident that when, later in the year, old fashioned and obscurantist elements in northern India rioted against cow-slaughter, coastal Andhra demonstrated in force for a new steel mill.

The short tour along the coast took me first to Visakhapatnam District, a relatively dry area, then to East Godavari, an irrigated district that was benefiting from the Partial Package or IAA programme (Intensive Agricultural Areas Programme); then to West Godavari, the star area in India for the full Package or IADP (Intensive Agricultural District Programme); and, finally, briefly to

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Vijayawada, the boom town on the Krishna, the other great deltaic area of Andhra. Everywhere, Collectors, Agricultural and Irrigation Officers, Package Programme and Community Project Block heads very kindly accompanied me or deputed members of their staff to aid me in meeting and talking with villagers. Unfortunately I do not know Telugu, but was interested to discover how many cultivators along the coast were able to converse in English.

Throughout coastal Andhra I was impressed by the high technical level of the peasants, both large and small. They welcomed new varieties of seeds, treated them with the right chemicals before planting, and tried to get the right mixture of fertilisers for obtaining highest yields. They asked for much more fertilisers than the agricultural officers, package programme personnel, and community project blocks could supply. The cultivators bought pesticides and sprayed them on the crops regularly.

The best-off families in the villages were benefiting in ample measure from Government help. They were getting Japanese, Polish and other foreign power-cultivators, tractors etc. through government loans at low interest. The really large-scale farmers – in effect, millionaire cultivators – were investing their gains from agriculture in trade, transport, moneylending, and industry.

The main complaints of the cultivators along the coast were about irrigation and drainage. They wanted more water to grow more crops and they badly needed modern drainage systems to get the water out of the fields. These questions of water supply were long-term problems involving large expenditure. By contrast the Package Programme activities were primarily short-term, focussed on getting quick results in five years or less. What is more, the Package Programme was above all based on fertilisers (and on seeds requiring fertilisers), but everywhere fertiliser was in quite insufficient supply or not arriving on time.

When I was in coastal Andhra in 1954 I had been impressed by the large rooms in the houses of the wealthy set aside for storage of paddy and rice. In village after village in 1966 I found that such families now had separate godowns which they proudly showed to visitors. One such family of four brothers told me that they had a total of 6 godowns, of which the most recent was an admirable cement structure capable of holding 6,000 tons.

POLITICAL STATISTICS

As I looked at these godowns, I could not help but think of a story I had heard in Delhi in August, 1966, before setting out for Andhra. I was told that the Government of India had asked the Government of Andhra Pradesh what was its expected production of paddy, what were its own needs, and what was the expected surplus. In the absence of the Chief Minister, who was out of station, the Director of Economics and Statistics wrote back that the paddy production of Andhra was expected to be 46 lakh tons, the State's own needs were 33 lakh tons, and the expected surplus 13 lakh tons (1,300,000 tons).

When the Chief Minister came back to Hyderabad and heard of this, he exploded. He sent for the Director, told him he had not acted properly and that this would cost him his post. Then he informed the Government of India that what they had heard from the Director was neither accurate nor authorised. In due course the Chief Minister sent to Delhi his own version of the paddy position in Andhra: annual production was expected to be 32 lakh tons, Andhra's own needs were 33 lakh tons, hence the State was expected to be deficit to the tune of 1 lakh tons (100,000 tons).

As it happens, the Director was not without connections. His wife, for example, was an M.P. in New Delhi. He had only done his duty and had informed New Delhi what he believed to be the true position. After intervention from the Centre, he continued on in his post.

Upon my return to New Delhi, I mentioned this incident to one of the most authoritative figures in the Congress party. When I asked him how matters stood, he shook his head and answered soberly: "The Director is still not secure in his post."

On the all-India scale I found fundamental reservations being expressed about the credibility of the global estimates of foodgrains production issued by the Ministry of Agriculture. According to the Ministry, India's total output of foodgrains had been 88 million tons in 1964-65 and had fallen to 72.3 million tons in 1965-66. In repeated discussions with well-informed officers and agricultural specialists of the Planning Commission, Food Corporation of India, Indian Statistical Institute, and in the Indian universities, I could find no one who believed food output had really fallen by 16 million tons.

Among the suspicions about the 72.3 million ton figure, the underlying reservation was lest a number of States had given their output estimates the Andhra treatment. There was also the feeling that

the Ministry of Food and Agriculture, not least of all the Minister himself, had desired a catastrophic "statistical fall", so as to be able to plead a better case for immense food imports, particularly from the United States.

At the FAO in Rome, the senior-most statistical officers, so I was told, no longer felt that confidence could be placed in agricultural figures issued in India. At the highest levels of the Planning Commission of the Government of India, so I was told, it was believed that the time had come to take a fresh look at how their agricultural production estimates were being made up. In a word, Members of the Planning Commission were not even sure of the reliability of the latest agricultural figures in India's Fourth Five Year Plan, copies of which had scarcely begun to roll off the presses.

VILLAGE NOTES

The first village I went to in Andhra was called Thallavalasa. It was somewhat less than an hour out of Visakhapatnam on the main coastal road running north toward Bimlipatam. Thallavalasa, a recently electrified village, was a big place with more than 500 families and nearly 3,000 people. The village was close to the sea; 98 per cent of the inhabitants were said to eat fish. There were various small projects for the development of fish ponds.

About 450 families were described as agricultural, in the sense that they held land which one or another member of the family cultivated. Since there were only about 900 acres of cropped land, this did not seem, at first sight, to work out to much per family. There were 18 families in Thallavalasa, however, who cultivated an additional 300 acres of irrigated land in another village nearby. In Thallavalasa itself there were only 180 acres or so of wet or irrigated land.

Besides the "agricultural" families proper, I was told that there were 56 families of labourers, mostly Harijans. They worked in the fields, in the Chittavalasa Jute Mills, or wherever else they could find work. What they wanted, they said, was the wages, and they were prepared to work wherever they could earn the most. Hence some laboured weekdays in the mill and Sundays in the fields. Wages in the mill were from Re.½ to Rs.2 per day. In the fields men earned Rs.2 per day in the busy seasons, less otherwise. Women got Re.1 per day. The Chittavalasa Jute Mills employed 120 people from this village.

Last year, they told me – referring to the *fasl* or agricultural

year – had been poor because of drought. Some people, perhaps 4 or 5, had got famished but did not die. Currently no one was lying ill at home from sheer lack of food. The millet crop (ragi or bajra) this year was better and had already been taken in. It was not yet certain how good the paddy crop would be. The price of food was high – for ragi it was Re.1 per seer. Hence a daily wage of Rs.2 would only buy 2 seers of millet.

The meals of the labourers and of the cultivators with only tiny patches of land (say a fifth of an acre) were similar and monotonous. For breakfast they would take a gruel or porridge of ragi or bajra; at mid-day they would have more of the same; in the evening they would either have more gruel, or, if they were a bit better off, they would have cooked millet (not in the form of gruel), plus some vegetable. At times they might have roots, such as sweet potatoes; now and then coffee or tea, and, of course, toddy. The poorest agricultural labourers might have only gruel meals.

The children ate the same things as their parents. Among the better-off families many of the children went to school; the poorer families used their children in household work or to earn a pittance here and there.

There were many signs that the village was on the up-grade. There were already a dozen oil pumps; now that electricity had come, many of the peasants wanted to use it for pump sets since it was cheaper. They were using nitrogenous fertilisers, 112 bags having been distributed that season. They were already experimenting cautiously with the new high-yielding varieties of paddy and with hybrid maize.

Japanese Krishi Cultivator

The Government of Andhra Pradesh had supplied one *krishi* cultivator, the term they used for the multi-purpose Japanese power tiller, made by Kubota. This had gone to the President of the Gram Panchayat on special terms. The cost of Rs.6,000 was to be repaid in 10 years at interest of only 6½ per cent per year. When the President said he was having trouble in maintenance, I told him to write to Mr. Tanaka, the Japanese engineer whom I had just met in Bhubaneshwar.

Modern as he was in his agricultural outlook, the Gram Panchayat President would not cross the main road with me to enter the quarters of the Harijan labourers, nor did he seem to relish my posing alongside the labourers for photographs. The houses of the labourers

were the familiar round Andhra huts with thatched roofs, neatly painted and well maintained. They were worlds apart from the wretched shanties I had entered in North Bihar.

We continued along the main road a bit further then turned off two miles toward the sea, to the big village of Kapuluppada with 3,800 people belonging to 900 families. Of these, 568 were families of fishermen, 226 were peasant families with land, and 127 were agricultural labourer families. Although there were some 660 acres of wet land cultivated in the village, the peasants told us that it was practically impossible to buy rice. There was a fair price shop which sold them one kg of rice each week at the controlled price of 85 P per kg. No other rice was available.

Rice-Eating Labourers

We talked to a labourer without land, employed as a sweeper in the handsome new panchayat building at the rate of Rs.20 per month. He had two sons, both too young to attend school. Wages for field work were Rs.1 $\frac{1}{4}$ per day for men and As.12 for women. Because of his duties at the panchayat, he could not go full time into the fields for work. For his meals he had gruel for breakfast, tea in the afternoon, and half a seer of fresh-cooked rice at night. He said he enjoyed toddy and the like; arrack, he told us, cost As.4 per glass.

Another labourer, a cheerful, healthy looking fellow, was a Madiga, one of four brothers who were all landless. In the busy season he too said he earned Rs.1 $\frac{1}{4}$ per day, paid in cash, with which he bought millets at the rate of Re.1 per 1 $\frac{1}{2}$ seers. For breakfast and lunch he ate ragi gruel. At night, when there was money, he bought and ate rice, otherwise more gruel. In the slack season he said he managed by taking a grain loan. The moneylenders charged no interest in money, but naturally wanted back more grain than they had lent!

Many new wells for drinking water, sponsored by the Panchayat, were visible in the village, including a big cement one near the Panchayat Office. The Panchayat Samiti was encouraging the cultivators to use fertiliser and improved seeds for paddy, and groundnuts; they were also supplying pesticides and other chemicals. One well-off cultivator was giving a trial to Tainan 2, one of the new high-yielding varieties (HYV) of paddy.

Polish Multi-Purpose Tractor

The Panchayat Samiti had also made available one tractor of 27 hp, a Polish one imported via Escorts of Bombay. This tractor worked as plougher, thresher, and pump, and also had a trailer. It cost Rs.15,000 and had been supplied on a low-interest loan basis to the sarpanch. As might be expected, he was exceedingly well off, with 35 acres of irrigated land and 20 acres of dry land.

The officials with me said that the villagers demanded all sorts of help from Government. They wanted lakhs and lakhs of rupees. But they would protest to the skies if you demanded one more naya paisa from them as land revenue.

The BDO for the area submitted a statement on the village cooperative of 128 members saying it was in splendid shape. There were no overdue loans against members, and the society itself was not overdue to the District Central Bank in Vizianagaram. All the loans to members, he wrote, were genuine and rested on sound personal security. They were being collected punctually within the due date. I might have been inclined to doubt this if I had not recalled my previous visit where, taken around by Papa Rao Garu of Vizianagaram, I had seen many village societies in that area in equally fine condition.

That afternoon we crossed to the south side of Visakhapatnam, twisting our way around the harbour en route, and drove 13 miles south to Aganampudi Village in Sabbavaram Panchayat Samiti. Because of the highly diverse activities all going on at once in Aganampudi, it seemed to me to offer a marvellous cross-section of rural change in the coastal area of Visakhapatnam District. It was a predominantly dry village of 1,400 people with 1,900 acres under cultivation. Agriculture depended on rains and rain-fed tanks; there were 30 pakka wells, 20 kaccha wells, and numerous oil engines. The chief crops were ganti (bajra), ragi, and gingelly, supplemented by some chillies, vegetables, and paddy.

Linked to the industrial district of Visakhapatnam by a good road, Aganampudi had 200 people who went, mostly by cycle, a dozen miles each weekday for work in the refinery, factories, and shipyard. In the village itself there were several amenities, including an upper primary school, a kindergarten and a health centre of which we shall have more to say in a moment. The village had been attached to a large-sized agricultural cooperative, but that society was now

dormant. No loans were currently being issued and no one had paid back loans.

Village Go-Getters

Two important people of the village were real go-getters. The President of the Panchayat Samiti held 25 acres of paddy (15 of which were canal-fed) and 6 acres of sugarcane. He used an electric motor and an oil engine, both presumably for pumping water. He also operated a krishi cultivator, the 5 hp Japanese Kubota power tiller of the type we have mentioned earlier. He said it worked very well and was easy to maintain. It had cost Rs.5,000 which had been provided to him jointly by the land mortgage bank of the district and the Panchayat Samiti over which he presided. He said he kept in reserve a full year's supply of paddy both for seed and for his family needs. This amounted to 60 bags of 2 maunds each, i.e., 75 kg per bag.

The headman or sarpanch of Aganampudi itself had 15 acres of wet land and 10 acres of dry. As a full year's supply for seed and for his family's needs, he kept on hand 70 bags of paddy. To escape the consequences of any possible land reforms, he said frankly that he had partitioned the ancestral lands among various members of the family, including sons and grandsons.

On the farm of the sarpanch we saw several big lorries. When we asked what they were for, he replied that he was the owner of six. These he used for supplying small bits of stone for metalling roads. He was a P.W.D. contractor for road work and bridges. His annual business turnover in this line was Rs.10 lakhs.

Paper Partition of Lorries

Just as he had partitioned his land, so had he placed his lorries in the names of his various brothers and other relatives. In this way, he said cheerfully in the presence of the BDO, the District Rationing Officer, and other notables with me, he kept down his income tax. He went on a pilgrimage each year to the great temple at Tirupati, where he normally made an offering of Rs.2,000. On his return, it was his habit to give a feast for all his village. He was a Congressman and at the coming election was expected to be a local candidate for MLA.

Our primary purpose in going to the village was not only to meet such big-wigs, but also to find out how things were going with the

labourers and other small people. By their own standards they were also doing well. For field work in the busy season men earned Rs.2½ per day, paid in cash only. Women got Rs.1¼ or less, though in some nearby villages they were paid Rs.1½. With Rs.2½ they said they could buy 4 seers of kumbu (the Telugu word for bajra), at the rate of As.10 per seer.

We talked to an old man who had 5 acres of dry land. He told us his family was very big, with 11 members; their land met only one-fourth of their needs. Of his five sons only the youngest went to school. The other four worked on land. His nephews also did agricultural work.

The work day began when the cocks started crowing. For breakfast they took a gruel of kumbu (bajra) with chillies. At mid-day they had ragi, the small millet, also with chillies. At night they would take rice if there was any; otherwise gruel. They often had dry fish with the midday meal. They expressed no opposition to toddy, but said they had no money for it.

We met a man who went by cycle every day to the Lummus engineering plant at Visakhapatnam. Women, he told us, did not go from that village to Visakhapatnam. Rather they went to nearby quarries where they were paid piece-work. They might get Rs.1½ per day or a bit more.

Things were different for the officials of the Ladies' Society, who came from some of the best-off families in the village. The paid head was a younger women, well dressed, with eyeglasses, wristwatch, and gold ornaments. She personally supervised work in her fields. For breakfast she had wheat; at noon she took rice and curds; in the evening she ate chapattis, dal, and green vegetables. Similarly, the Honorary President of the Ladies' Society, a much older woman, had rice in the morning and again at midday; in the evening she ate both rice and wheat.

Elegant Village Ladies

The activities of the Ladies' Society were diverse. They provided a kindergarten for the youngest children and adult literacy classes for women. They visited families in difficulty. They supplied sewing machines, and showed the women how to raise poultry so their families could have eggs to eat. They also distributed vegetable seeds.

My companions whispered to me to tease the lady officers by

asking them about the governmental restrictions on gold. The ladies leapt at my loaded questions. Gold, they said, is needed for security. In no uncertain terms they told me it was being purchased in the black market.

The village had an active health centre which was spic and span for our inspection. The qualified doctor in charge, an M.B.B.S., told us their work was more preventive than curative. The whole area suffered from malnutrition, in the sense that the diet was inadequate in both vitamins and proteins. The children suffered in particular because they had so little milk. Hence the people welcomed the milk powder they had earlier been getting from UNICEF, and the multi-vitamin tablets. There was no malaria. Health conditions this year reflected last year's drought.

There was no hesitation in discussing birth control. The health centre was supplying contraceptives in the form of sheaths. The IUDs were not going fast; only eleven had been fitted. Vasectomies were the order of the day; forty had already been done.

Visakhapatnam: Boom Town

On my round trip to Aganampudi I passed twice through the industrial area of Visakhapatnam. Many new factories had sprung up since 1959, notably fertiliser and engineering plants. In the centre of town several large new hotels were under construction. A recreation area was being developed on the ocean front.

The boom-town atmosphere of Visakhapatnam is perhaps best illustrated by the way in which the Collector had got a new jute mill built. He had pointed out to businessmen with capital that the petroleum refinery of the 1950's had been followed by the building of a fertiliser plant. A second fertiliser factory was in course of construction. Then he posed them the question, how would the fertiliser be taken away from the plants, and he added: is it really necessary, when Visakhapatnam District grows its own jute, for jute bags to be brought in from outside?

On my last afternoon in Visakhapatnam I had a late lunch at the home of a local entrepreneur, an old friend. As we were drinking our coffee a car drove up; a fairly tall, wiry man stepped out and waved his hand at us. Ah, said my friend, here's a man you'll be glad to meet. He is an active type, a big landowner, from the Godavari delta.

We were introduced and soon got down to brass tacks. His family

had substantial holdings near Razole, in East Godavari District. They were well connected; in fact, his uncle had long been Zilla Parishad Chairman for East Godavari.

I told him that I had been going to villages around Visakhapatnam. The larger cultivators held back a year's supply of seed and food for their family. Was that true in his case? When he nodded assent, I asked him how much did that amount to in his case. He answered matter of factly, we have 10,000 bags in our godowns at Razole. Come and see us there, he went on. I'll be back day after tomorrow. Let us have breakfast together.

A Millionaire Cultivator

You know, he went on, we are expecting Government to come and take 9,000 out of our 10,000 bags. We've been supplying such an amount to them for procurement for the last twenty years. Our whole family cultivates 2,000 acres. He had no objection to my writing down this information on paper. In fact, he encouraged me to do so.

In West Godavari District, he said, they have the full Package Programme. They get everything. We only have the partial package (I.A.A.) in East Godavari. This year we cannot get enough manure or fertiliser. Today none is available so I have just given instructions to buy fertiliser on the black market.

I said I was first going to Rajahmundry but would be glad to meet him again for breakfast on Thursday morning. Oh, in Rajahmundry you must meet my uncle, a bar-at-law who is very well informed. In Kakinada another uncle had a textile mill.

Later that week I drove over to Razole Taluk, to call at the house of the big landowner whom I had met on my last afternoon in Visakhapatnam. Although he was not home, his cousin and other relatives knew I was coming, took me right into their house and upstairs to their private sitting room. They explained that they were three families, all related, and each one had a house – to be more exact, each one had a splendid mansion. The gentleman in whose house we were taking coffee was the president of the local Panchayat Samiti. Across the road was the house of his cousin, whom I had met in Visakhapatnam. When we went over there later, we found that he had already installed two airconditioners, one for his office, the other for his bed-room. When I said these were the first airconditioners I had seen in an Indian village, they replied that these were not unique.

There were two or three other houses in their village which also had airconditioners. In touring the house I saw shower and bath fittings which were as good as those of a first class hotel in Paris.

They told me that their families had 1,500 acres of land under cultivation; 500 acres were under paddy, 1,000 acres were under cocoanut. In addition, they had fields of sugarcane. They had 30 pairs of bullocks; 2 tractors, and six oil engines for drawing water. One of the family said that they used their paddy largely to feed their own workers and staff; and that their chief money income came from the 1,000 acres of cocoanut.

Automatic Coir Factory

They had a khandsari plant for country-made sugar, but I did not see this. They showed me through an apparently well-organised coir factory where they had six new coir machines made in Rajahmundry. They got three sortings from the fibres of the cocoanuts, including qualities good enough for mattresses and bristles. In the factory we saw two boys of 11 and 12 pounding coir by hand. Apparently the families were not satisfied with their coir factory. With the approval of the Government of India they were importing fully automatic machinery from Japan. To pay off a loan for this, their stocks of coir were already pledged to the State Bank of India.

Although they knew of the high-yielding varieties of paddy, they were trying these out with caution. Currently they had 10 acres already under them and would await the results of the harvest in November. Stemborers had attacked the plants in this area, but these had been controlled by pesticides.

When I indicated how impressed I was by the size and extent of their operations – paddy, cocoanut, sugar, khandsari, coir, Japanese automatic machinery to come – they laughed at me. You ought to see Uncle, they said; he is in Tanuku, he is really big! Uncle, it appeared, had a sugar factory, a textile mill, a caustic soda plant, a polytechnic school, a cycle factory, and with US collaboration was setting up a 22-crore fertiliser project. As it happens, another Uncle of the family had been Education Minister of Andhra for most of the past decade. As I continued my travels, I realized that the whole Andhra coast from Kakinada to Nellore was full of big houses inhabited by important families with far-reaching connections doing all sorts of business.

Meat-Eating Labourers

In Rayavaram village near Kakinada I spoke to some agricultural labourers. Here the wages for women for a 7-hour day were Rs.2 early in the season, rising in the rush time to Rs.3 per day. For men, again for a 7-hour day, wages were Rs.3 in the slack season and Rs.4 in the busy season. They were paid cash. In the harvest season they had to work day and night, often as much as 18 hours. At that time men earned Rs.6 per day.

A labourer who had no land at all told us he had a wife, 2 girls, and an aged, widowed mother who lived with him. For breakfast he had brinjal and leftover rice. At midday he took fresh cooked hot rice and brinjal. At night he ate a hot vegetable and more freshly cooked rice. Once a week he had meat.

The same landless labourer told me he could get work in the first 7 or 8 months of the year. At that time, he saved As.2 to As.4 out of every rupee he earned. From August to November, he said, he would usually have no work. Then he kept quiet and did nothing. He drew on the cash he had saved to buy food.

Other villagers supplemented his story by saying that most of their land was under long-growing varieties of rice. The paddy took 6 months to grow. The price of rice locally was 1 rupee per kg. From January to September rice was easily available. Between September and December, while the standing crop was ripening, rice became scarcer, and was no longer available at 1 rupee per kg.

Nonetheless, landless labourers were taking three rice meals per day, plus occasional fish, meat or coffee. If this was what the landless labourers ate, there was no point asking questions about the diet of anyone else. We were in a world far, far removed from the shortages of inland Orissa, lower Bengal, and North Bihar.

Sophisticated Farmers

The cultivators of Rayavaram were eager to talk about their techniques and their yields. The owner of an acre and a half informed us he used his own seed of the ordinary variety of rice, akulu, seed that he set aside at harvest time. For his first crop of the season he used no chemical fertiliser, but he did apply endrine for pest control. He had a compost pit. His crop was 20 bags of 75 kg each, which he said was as much as was obtained by a rice millowner who was standing

nearby and who did use fertiliser.

When we turned to the rice millowner, he said he had 20 acres of land and 2 permanent farm servants. In the busy season he would employ 10 to 15 workers per acre. He planted an improved type of seed of the akulu variety of rice. He used 100 to 300 kg of fertiliser per acre. He had a compost pit and applied endrine for pest control. He used no green manure.

His yields were about 15 to 20 bags per acre. By rotation he put one-third of his land under a second crop each year. If he could get more irrigation water, he would raise a second crop on all his land. The rice millowner complained that the Panchayat Samiti did not provide fertiliser in time nor in sufficient quantity. For his 20 acres the Samiti gave him only 360 kg of ammonium sulphate.

Still another cultivator said he had 25 acres of land. On his second crop he applied 200 kg of ammonium sulphate per acre. The Samiti had met half of his requests for fertiliser. Ten years ago, he continued, they used to get from 12 to 15 bags of 75 kg of paddy per acre. Now they were getting 15 to 20 bags per acre. The combined use of fertilisers and pesticides had resulted in higher yields.

Last year they had 300 acres of the second crop in their village, presumably under the new high-yielding variety, Taichung Native 1. This year they were trying it on 30 acres of their first crop. The yields on Taichung Native 1 were high, 30 or 32 bags per acre. Taichung requires more fertiliser and greater efforts at pest control. Last year under a special Government programme they got seeds, fertiliser and pesticides in time. This is the Intensive Agricultural Areas Programme, the IAA, or "Partial Package".

Underlying Drainage Problem

About half the land of this village had serious problems of drainage. There was no other problem here, except a serious shortage of work in the four months from August to November.

The villagers agreed that their drainage problem could be handled if their land were linked to the big drain that ran not far away, or to a second big drain. To do this they would have to dig a channel either for one mile or perhaps two miles. We said they had just told us they had a serious problem of shortage of work from August to November; couldn't the "excess" labour be put to work building the link to the drain?

At first they could see nothing but difficulties. To begin with, the existing drain might have to be widened. In any event, added the rice millowner with 25 acres, it is up to Government to deepen and widen drains; and also to provide supplies for agriculture in time. We indicated that rather than solving their own problems, they seemed more interested in throwing the burden on someone else. To our surprise, the millowner suddenly shifted his tack, as if to say that he understood our point: we were not criticising him, merely indicating that perhaps they might be able to deal locally with what was bothering them. When I said I would try to come back next year, he urged me to do so and to come and see what they would by then have accomplished.

By now it was dark. We drove along secondary roads through occasional showers to Kakinada. The agricultural officers who accompanied us warned me that the cultivators usually spoke of their yields in terms of underestimates. Thus when the villagers said they were getting 30 to 32 bags of rice per acre from the high-yielding varieties, I would be well advised to take that as meaning they were actually getting more, perhaps about 38 bags.

Godowns Galore

In the environs of Kakinada I visited the large, rich, electrified village of Velangi. With its various hamlets Velangi had a population of 7,000. About 300 people of Velangi had gone elsewhere for work. On the other hand, particularly at peak seasons, many people came for work to Velangi.

At the village headquarters a handful of people were waiting to greet us. After we had taken our seats we started talking with an old agricultural labourer who could no longer put in a full day's work. His sons took three rice meals a day, just as he had done in his prime. We were helped in our exchanges with the old man by another cultivator who seemed perfectly at home in English; he seemed a bit impatient with us, however, as if he thought we were not making the best use of our time. When we turned to his own case, we found out that he was a veritable gold mine, and not only of information.

He himself had 150 acres of irrigated land (the ceiling for the area under the Andhra land reforms), and all of his land was under improved strains of paddy. His family prepared their own seeds, he said, but they could not get enough fertiliser. Their average yield was

20 bags per acre. Last year they had got between 18 and 20; the year before that, only 15 bags.

He said that in Velangi at least 50 ryots held 100 acres each and all had their own godowns. He himself owned a rice mill which he did not operate but gave out on lease. That was a common practice here, he remarked.

Gift of Gold

The village of Velangi, he went on, is noted for its wealth. When gold was collected all over India during the conflict with Pakistan in 1965, Velangi gave more gold than any other village in Andhra. He was one of four brothers. Each of them held 150 acres of irrigated land. They had been a joint family but had partitioned their holdings to avoid the ceilings established by the land reforms.

Besides owning the rice mill and carrying on cultivation, he had a number of other activities. He was a moneylender, he said. He was a distributor for Parry's Sweets. He was a director of the Hindusthan Insurance Co.

On his land he employed both full-time labourers (paleru) and daily labourers. The full-time labourers, of whom he had ten, were paid in paddy, somewhat more or less than 20 bags of 75 kg each depending on the labourer's age and skill. Male daily labourers he paid in cash, from Rs.2 As.8 to Rs.3 per day.

His total production ran to about 2,500 bags per year. He needed about 1,000 for various purposes; 600 bags were consumed by his labourers, and there were requirements of seed, and food for his own household, etc. He usually sold the other 1,500 bags. This year Government had taken nearly 1,000 bags from him. Also, this year people had come from Gujarat to buy seed because the monsoon had failed there.

They used to keep a full year's supply on hand, to get better market prices, but that was no longer possible. The price fixed by Government for the purchase of paddy ran from Rs.38 to Rs.45 per quintal. In the open market the price was about 3 or 4 rupees higher.

When this cultivator asked if I would like to see his house, I said I would be delighted. We crossed the road, went a short distance down a lane and came to a fine built-up area. His house turned out to be a solid two-storey mansion. On the flat roof was a sizable penthouse room, on top of which yet another room had been built to get the

maximum of air on a hot summer night. The house with its splendid finish and fine appointments was better than many I had seen in Bombay on top of Cumballa Hill or Malabar Hill.

Mansions in the Delta

We proceeded from one room to another, our host unlocking each as we went through the house. On top of the roof, and then of the penthouse room, we were able to have a good look around the village. Off on one side was the house of his older brother; in another direction was his younger brother, and finally his youngest brother. Each of the brothers had a grand mansion of the same standing as the one I was visiting. Each had a substantial godown to store paddy. In fact, among the four brothers there were six godowns.

He pointed out to me the latest modern cement godown that they were just finishing, rat-proof, water-proof, everything proof. At a conservative estimate, I guessed it would be 60' x 40' x 30'. No, said the Agricultural Officer with me, that is rather 100' x 60' x 40'. One did not need to be an Archimedes to figure out that this amounted to 240,000 cubic feet. At the rate of 40 cubic feet per ton of paddy, this would hold, at a maximum, 6,000 tons. Although their other godowns were smaller, still, there were five more. They could store an impressive quantity of paddy or rice! From the roof of his mansion, I could see that there were in the village 20 to 40 other houses of the same size. Each of these cultivators, he told me, had his own godown.

We chatted on about other aspects of village life. They had heard of the package programme and knew that it brought benefits to West Godavari. They would like it to be introduced in their own district, East Godavari. It is considered here, he told me, that the water supply of West Godavari is better than theirs, and that West Godavari gets more supplies under the package deal.

He said that they cannot get enough fertiliser to meet their needs. To get higher yields they needed more fertiliser, more water, and an assured water supply at the right time. They were at the tail end of the Kakinada-Coringa Irrigation Canal, and they get water one month late. Therefore they had bought big pump sets, 14" and 8" ones, to get water at their own timings.

The drainage system was not properly maintained; much of the land was under water, submerged. Instead of clearing the drains, the contractors supplied by the PWD made a mess, made matters worse. In his view, drainage was too big a subject for the village panchayats.

The Full Package

I heard very much the same story when I crossed the river to Narsapur in West Godavari, the prize district of the Package Programme. The main problem in the area around Narsapur, the local officials declared, was water, getting it in and getting it out. As they were near the sea, they were naturally at the tail end of the canal irrigation system. Their supply of canal water was short. That was only one of their headaches. The sea coast being near, the coastal lands were plagued by salinity and waterlogging. Drainage, in fact, was the other major problem of the entire Central Delta. Recently, for example, heavy rains had submerged 1,000 acres and ruined the crops. Where the soils were clayey, they retained water longer, hence drainage became all the more important. One of their essential needs was for extremely detailed soil maps and an equally detailed survey of underground water.

After lunch we drove to Ellore, headquarters town of West Godavari via Bhimavaram and Tadepallegudem. Along our route we had the impression of being surrounded by endless thousands of bicycles and motor buses. There were also some lorries, bicycles with motors, Lambretta-style scooters, and a few heavier motor-cycles. Everywhere were rice mills and substantial houses of prosperous people, *medalovundewaru*. In Tadepallegudem we saw a huge, new modern-style elevator for storing rice, one of the very few of this type so far erected in India. Here as elsewhere along our route the Andhra women were smoking their cigars (cheroots). Some followed the old practice of keeping the burning end inside the mouth, even though it was known to cause cancer.

At Ellore the head of the Package Programme told me he had just finished a two-day meeting with all his principal officers who were still on the premises. In fact, he had kindly kept them there so that I would have a chance to talk with them. He called them in and while we had tea together they went over the principal aspects of their work.

Shortage of Fertiliser

The Project Officer, head of the programme, had himself taken charge only two months before, in July, 1966. Since the start of the programme in 1961 he said they had got in the district a 50 per cent increase in output. They could do better still, he said, if they received

the supplies they needed. In nitrogeneous fertiliser, for example, they needed 140,000 tons and they had received only 78,000 tons. They expected to get additional allotments later, however, for special crops.

They had already started on the high-yielding varieties of paddy as a second crop. Whereas the indigenous varieties of paddy gave about 17 bags per acre, the average yield under HYV ran to about 30 bags of 75 kg each; the record yield was 49 bags. The Package Programme, he explained, had highly organised arrangements for reaching the cultivators. Not only did they have their own information and propaganda section, they had their own press. This included a splendid camera and a photo-offset printing machine. We later saw impressive piles of their English and Telugu publications labelled with their own mark, "Package Press, Eluru".

For crop production with the HYVs recommended by the Package Programme, the cultivators had to make a large investment in seed, fertiliser, labour, etc. The Programme was helping them get the loans they needed via the Cooperative Credit Societies. In fact, the Project Head said they were trying out the crop loan system of credit along Bombay lines. He showed me their model scale of finance for different crops, ranging from Rs.230 per acre for dry groundnuts, Rs.300 for paddy, to Rs.1,000 per acre for bananas.

Cooperative Headaches

The officer of the District Package Programme concerned with cooperatives gave me a copy of a report he had drafted on the current functioning of the credit societies. Their difficulties were the familiar ones: the cultivators felt that the credit extended by the societies was inadequate, was not extended in good time, was available only to families owning land, that the local moneylenders extended credit more easily and were more flexible about period of repayment. In view of these complaints in a rich and favoured area, I wondered whether the crop loan system would work any better on the east coast than it had on the Bombay coast.

The officer concerned with fertilisers produced a report in which he had concisely summarised the most common and important difficulties; the cultivators were not getting adequate supplies; they were not receiving fertilisers in time for their field operations; they were not getting the required varieties; even when supplied, they were not getting them in sturdy bags of good quality.

The Project Head told me that the cultivators in the district were very progressive and were not afraid to try new crops or new varieties. He said that in the current kharif season the yields of paddy under HYV were expected to be very good.

The next morning I drove off to Vijayawada (Bezawada). Fortunately the District Agricultural Officer was there and had the time to give us his estimate of the way things were going in Krishna (or Kistna) District, in the heart of the delta of the Krishna Valley, the other great paddy-producing area of the Andhra Coast.

The Partial Package

Not much is happening here, the Agricultural Officer began. We do not get the inputs. They go to West Godavari, the full Package – seeds, fertilisers, credit. We are an IAA zone, the partial Package. The position on pesticides is good, we get plenty.

In his district they were proceeding cautiously with the new HYV paddies. Whereas in Orissa a large area – either 100,000 or 200,000 acres – had been put under HYV, in Andhra the State Agriculture Department had resisted pressure to rush in and do the same. They were concerned lest along with a fine growth of the new paddy they might get waves of pests, insects, stemborers, and bacterial blight. In Japan they already knew what to expect and how to bring these menaces under control. After all, if bacterial blight ever got really started, it might ruin not only the paddy but all other crops. Hence they had tried HYV paddy last year as a second crop and only on quite small plots. This year they were trying HYV in the current kharif crop. They would have to wait for the results. Quite a number of varieties were on trial over small areas, with an overall total of 2,000 acres devoted to HYV.

The drainage systems in both deltas, Krishna and Godavari, in his view were antiquated. They dated back to the middle decades of the previous century. For proper drainage the big owners had no choice but to surrender some of their land, no matter how profitable it was, so that modern drains could be installed. In West Godavari, in particular, a proper opening would have to be cut into Lake Colair (or Collieru) below Ellore, so that it could drain into the sea. This would necessarily be expensive. The big owners would complain; even at a conservative figure, their land was worth at least Rs.7,000 per acre.

The Agricultural Officer said that the kind of big people whom I

had met in the delta often gave out land for others to cultivate on oral agreement. Nothing would be written down. To the small peasants who took in land, the big owners would sometimes advance cash or grain and get repaid in labour on their home farm. They would get their home farms cultivated by full-time labourers supplemented in the busier seasons, as required, by day labour from their cropsharers and others.

The agricultural future of the Andhra coast would be assured, he felt, by the building of a series of dams to control the Godavari River. Just as I had heard in Visakhapatnam, he declared that 95 per cent of the Godavari water rolled uselessly into the sea. Only 5 per cent was tapped. If the river were dammed, the agricultural output of the Godavari Valley would go up three or four times. What is more, there would be enough water to meet the requirements of a steel plant at Visakhapatnam.

Factories and Workshops

Bezwada had changed remarkably since I had last passed through the town in 1959. It was no longer merely a road and rail junction serving as a centre for agricultural marketing. Simply driving in from Ellore, I had seen a number of factories on the outskirts of town. Ah, I was told, if only you had the time to go out on the road toward Masulipatam. There you will find an industrial estate with workshops turning out nails, screws, ordinary wire, barbed wire, copper wire, and stainless steel vessels. There is also a leather industry making sandals and suitcases. In the town itself there were the usual signs that trade and industry were flourishing: new modern-style hotels, airconditioned cafes and restaurants.

The condition of the roads in the centre of town was, at first sight, disconcerting. Everywhere there was mud, mud, mud, sometimes 4", 6" or 8" deep. Yet the road underneath seemed firm. When I asked what it was all about I got the somewhat embarrassed reply: you see, the roads have been paved, they are good. Alongside the roads we are putting in the drains, and in some places these are deep. The earth that was dug up, so that the drains could be set into position, was heaped alongside the paved road. Before the earth could all be put back in place, down came the monsoon and turned everything into a sea of mud!

Right in the heart of the city stretching for several furlongs down a

couple of the main streets were dozens and dozens of small workshops a half flight or so above the level of the road. Interspersed among them were any number of stores selling spare parts for lorries. As a general rule, these stores were run by Punjabis, usually Sikhs with their beards and turbans. They dominated the market, I was told, in imported, parts for lorries. The workshops, by contrast, were owned by local people, Telugus, and each had a machine tool with which they manufactured spare parts for lorries.

Bezwada has become a great hub for shipments by lorry in all directions: toward Visakhapatnam, Hyderabad, Bangalore and above all Madras – in fact, to any place where rice was short. Whereas the controlled price for rice in the rationed areas was a bit less than one rupee a seer, the price in the open market ran from Rs.3 to Rs.4 a seer, occasionally even more. There was a thriving business and great profit in the transport and sale of rice.

I was told that organised services were operating streams of lorries to carry rice from Bezwada to Madras; sell the rice in Madras; continue on to Tanjore; pick up more rice there and sell it in Kerala. The profits were such, I was told, that it was worth while for the lorries to return empty. The function of what seemed simply hundreds and hundreds of the spare parts workshops in Bezwada was to service the immense lorry traffic and provide the parts necessary to keep the lorries in working order.

10. Capitalist Stirrings in Rural India: Tour Notes*

The hopes of the Government of India for coping with the country's food problem are pinned on a speedy development of capitalist agriculture. This is the essence of the new agricultural strategy first announced in 1965-66 and since then put into practice at the district, block and village level. Hence when I began another tour of the countryside in August, this year, I thought I would visit some widely scattered districts to see how the strategy was working out. Accordingly I went to villages in Karnal (Haryana), Meerut (U.P.), Kaira and Baroda (Gujarat), Thanjavur (Tanjore, Madras), Basirhat (West Bengal), Patna district (Bihar), Bara Banki (U.P.).

The Delhi air is full of worry and misgiving about the ability of India's agriculture to feed the country's growing population. There is nothing new about this. It was just the same back in 1964-65, when India produced its all-time record crop of foodgrains. The anxieties being expressed today are certainly understandable. After all, the droughts of the past two years were the worst that have afflicted India since the beginning of the twentieth century.

Nonetheless, before yielding to the gloom that seems to be endemic in Delhi, it will be worth our while to take a closer look at the rural scene today. There is a movement under way that, with some exaggeration, may be termed an effort to put through a far-reaching agricultural revolution from the top. Whether or not this succeeds, it seems certain to lead to a very substantial increase in foodgrains and all other agricultural production. For this reason alone, it deserves careful scrutiny.

A NEW VOGUE

Agriculture has become fashionable. This new mode is perhaps the

**The Statesman*, Calcutta and New Delhi, November 1, 2, 3, 4, 1967.

most startling feature of the current rural scene. Not so long ago the peasant, considered a crude, country bumpkin, was an object of scorn and contempt. Today gentlemen farmers drawn from all the higher castes may be found within driving distance of practically every large town. For them agriculture has become a hobby, at times even a passion. Some see themselves as patriots acting in the national interest to help liberate India from dependence on foreign food imports. At the same time they have found that farming can be highly profitable.

Last August in Karnal district of Haryana I called on the local Agricultural Officer. Just as I was starting to ask him which cultivators I would be able to visit, in walked a short, chubby, grey-haired man, in his fifties. Although he had all the external characteristics of a man of business, he turned out to be the prize cultivator of the entire area. As I later saw at his 65-acre farm, he obtained splendid yields from Mexican wheat, Taichung paddy, hybrid maize, and hybrid bajra. For example, he was getting 50 quintals of Mexican wheat per hectare and 65 quintals of Taichung Native No. 1 paddy. He had two tubewells, a tractor, a wheat-threshing machine, and an old car.

This model farmer told me straightforwardly that he had been a moneylender. But he gave this occupation up after the elaborate regulations of 1938.

After showing me round his fields, he took me across the road to see some particularly fine plots of Taichung Native No. 1 paddy. I noticed another man, short and wiry, who came up to us in bare feet. He was wearing only an undershirt, drawers, and a wrist watch. I asked, "Is this your supervisor?" Back came the reply: "Oh no, this is Lalaji, my neighbour". Lalaji, I discovered owned both a tubewell and a tractor. For the life of me, I could not recall ever having previously seen an affluent man of mercantile origin out in his fields so scantily clad, taking personal charge of the agricultural work.

Two of the biggest and best cultivators nearby turned out to be sons of advocates. They also owned tubewells and tractors. Like our host, they maintained houses in the town a few miles away and came out by car or bus to direct their operations.

It is characteristic of the agricultural scene in India today that I should have found families of merchants, ex-moneylenders and advocates who were investing heavily in the land. An equally active group in this field consists of industrialists. The great cities of Delhi, Baroda, Bombay, Lucknow, Hyderabad, Bangalore, Coimbatore and

Madurai are being ringed with poultry farms, fruit orchards, vegetable and spice growing farms. Some of these are registered in the names of the industrialists or members of their families; other in the names of the company, a cooperative, or friends. Although the farm may be called an orchard (*bagh*), it is quite common to see fields of the latest varieties of paddy, wheat, or one of the hybrid millets. The owners take pride in their understanding of scientific farming. They, their wives, their sons may rattle off with astonishing speed the combinations of ammonium sulphate, superphosphate, potash, green manure, farm-yard manure, pesticides and treated seeds which they believe to be best suited to their particular soils and water supply.

Another leading group in Indian society which has been caught up in the current of enthusiasm for scientific farming is the armed forces. Years ago military officers thinking in terms of retirement put in their bids for sizable allotments in areas where waste land was being reclaimed, jungle cleared or tarai malaria-proofed. Now their foresight is being rewarded. With the prevailing prices for cereals and the high yields obtainable from the new varieties of seeds, their operations are often very profitable. Where an officer has his holding in the form of a cooperative, he may have first claim on a wide variety of Government aid, credit and services.

GRAPE KINGS

The latest group to jump on the agricultural bandwagon are officers who have retired from the higher Government services – members of the ICS and the IAS, railwaymen and professionals such as accountants, doctors, teachers. Although I have not seen it for myself, I am told on good authority that, for example, the Mehrauli Road south of Delhi is studded with farms belonging to former luminaries in the official hierarchy. They are trying their hands at grapes which have already proved extremely profitable in Hyderabad, Bangalore, and a number of places in Maharashtra. Some “grape kings” in Maharashtra even wanted permission to fly private aeroplanes between Poona and other towns in order to market their fruit quicker. Despite the high costs of unsubsidized private air transport, they were confident their grapes would earn them a handsome profit.

In view of the proved success of grapes and sugarcane in the Deccan, there is already a movement to go on to the production of wines and stronger alcoholic products. The recent decision of the

Maharashtra Government to allow the manufacture of 3.5% beer may yet prove to be the prefigurement of Koyna cognac and Satara rum. Considering the prestige attached to European labels, we may end up with collaboration agreements and find ourselves offered Nuits St. George (Nasik) or Chateau Lafitte (Poona). There is even talk that "Johnny Walker" may come striding in.

To those who have not lately seen for themselves some of the up-to-date farms my assertions may seem exaggerated and my emphasis on grapes excessive. Here I may direct attention to what may be termed the purifying role of the biological process. We all know that one can grow roses upon dung heaps. Thus dirt is transmuted to beauty. It is generally agreed that there is a lot of black money circulating in India. A problem faced by many businessmen is how to convert some of this, when required, into white money. For quite a few of them, agriculture has provided the answer. On crops like grapes profits of Rs.10,000 per acre or higher can be declared. Even Rs.20,000 per acre is not inconceivable. How would any inspector, in practice, be able to disprove such assertions? Another great advantage of profits declared to have been earned in agriculture is that most States do not have an agricultural income tax. The ones that do, like Madras, are interested primarily in tapping the gains from the big tea and coffee plantations in the hills.

RELIANCE ON POWER

An outstanding feature of the new agriculture is its reliance on power, as embodied in the tractor and the well with motor of which there are various kinds: tubewell, pump-set, bore-well with engine, or, in Madras filter-point well. Properly handled, the tractor ploughs better and quicker than the bullock team, and reduces the peak season demand for hired labour. In parts of Punjab the bullock has already been displaced by the tractor and in central Gujarat its days are numbered. I found in Gujarat that after using their tractors in their own fields, the richer cultivators had organized a regular system of ploughing the fields of others at fixed charges.

Just as the tractor reduces dependence on animals, so the well fitted with electric pump or oil engine makes agriculture less of a gamble on the monsoons or on the vagaries of over-burdened irrigation networks. I was of course aware that the tubewell programme undertaken in Punjab in the years since 1947 had transformed the State. But I had

not realized that the Madras State electricity programme had outstripped the rest of the country. In that State alone there are now 280,000 electrified wells at work. In districts like South Arcot the goal of the more alert farmers with resources to invest is continuous cropping, all 12 months of the year; this is already practised in Central Gujarat and Punjab.

The point has been reached where the prestige symbols in Punjab are now mechanical. In marriage negotiations when the representatives of the two sides come together a common opening gambit of one party may be "Do you have a tractor?" To which the likely reply is: "Do you have a tubewell?"

AGRICULTURE: AN INDUSTRY

It is used to be said that agriculture in India was less of an occupation than a way of life. This is not necessarily the case today with the better-off cultivators who are able to use modern equipment. When I asked an outstanding farmer in Gujarat whether, in addition to his crops, he carried on some industry (ginning, pressing, decorticating), he replied firmly: "With us, agriculture is an industry."

In Chingleput district in Madras I was told of a cultivator who had 1,200 acres, tube-wells, and six or seven tractors. To run his estate the way he wanted, he had set up a system of telephones extending to all corners of the farm. Convinced of the future of tractors, he had decided to go in for manufacturing them. He had made contact with one of the Soviet tractor houses and active negotiations were said to be under way.

Although we should not exaggerate the speed with which the change is likely to occur, we can already detect the signs which presage the passing of the bullock, the lessening of the terrors of a fickle monsoon, and, perhaps later in the century, the industrialization of agriculture itself. It is possible that in the first part of the 21st century the Indian peasant, as we know him today, will no longer be the representative cultivator; and by the middle of the 21st it is even conceivable that over large stretches of the country, he will practically have disappeared.

Although there are still only a small number of them, the helicopter has come into use in Indian agriculture as a means of spraying crops with insecticides. Starting some years ago in the Guntur district of Andhra Pradesh, the use of helicopters has spread to South Arcot.

Today they are sought after in Orissa and elsewhere. Compact mechanical threshers suitable for farms of 50 to 75 acres are already being installed. For the benefit of the tiny farms that are so numerous in India, work is already far advanced to develop and produce a small two-wheel power tiller. Scooters, motorcycles, jeeps and automobiles are already commonplace in the Indian countryside. With the spread of electricity, table and overhead fans are coming in rapidly. They are already being followed by refrigerators, airconditioners and other luxury products.

While travelling about the country recently, I tried to ascertain where the cropsharers and weak tenants stood in the new agriculture. At the same time I was interested to learn how many kinds of labourers the new-style producers were employing, the periods for which the labourers were engaged, and the modes in which they were paid – cash, kind, perquisites (harvest share, clothes, etc.). On this subject I shall give you some passing impressions for whatever they may be worth.

The Karnal area that I visited in the part of the old Punjab now called Haryana had been full of cropsharers (bataidars) up till the latter half of the fifties. Once land consolidation was carried through the owners decided they could farm their compact holdings more profitably themselves than by letting them out to bataidars. The former cropsharers had the choice of becoming agricultural labourers or going elsewhere. From then on each of the owner-cultivators relied on a core of permanent workers – eight or 12 or more according to the size of the farm – supplemented by as many casual labourers as needed, even 100 at the peak.

In central Gujarat the most enterprising farmer I met worked out a different solution to the problem of labour supply. As the core of his working force, he retained on a permanent basis 11 families who supplied him with 40 hands – men, women and children. They had all been working for him for 10 years. As he had a tubewell, he was in a position to water some land for hybrid bajra during the slack summer months. Accordingly, he was able to keep his labour families busy during the “off” season by assigning to each of them five kacha bighas (roughly 1.2 hectares) for cultivation. The owner provided water, seeds, fertilizer and everything except labour. At harvest time, each labour family was given as bonus one-fourth of the crop on the five kacha bighas they had worked. This amounted to 50 kacha maunds (20 kg each) worth at prevailing prices a total of

Rs.1,000. Since this was in addition to payment of Rs.2½ per day per adult male and Rs.2 per adult female, it was not surprising that the families had stayed with him.

BARA BANKI

In Bara Banki district of U.P. we were received by one of the leading cultivators. Formerly a big landlord, he now had about 100 acres under cereals, at least another 100 acres of bagh and perhaps more land in the name of other family members. For many generations, he said, their family lands had been worked by dependent cropsharers who provided their own labour and bullocks for draft power. The landlord family furnished everything else: seeds, manure, fertilizer, ploughs, irrigation water, etc. When the crops were harvested the landlord kept three-fourths, the remaining one-fourth went to their dependent cropsharing labourers for their work and that of their bullocks. Thus in kharif the labourer might get 70 to 80 maunds of paddy, while in rabi he might get about 30 or 40 maunds of wheat.

This traditional landlord came from one of the best known families in Oudh and took it for granted that his older brother should be pramukh of an area embracing 100 villages. In recent years he had done much to modernize his cultivation. Since 1951 he had been using a tractor; it was the first in the area and he took pride in the fact that he could drive it himself. Whereas his neighbours complained of labour shortage, he was pleased to report that he had none. The families tied to them by tradition served them well; besides, as compared with his neighbour, he said he paid better. Nonetheless, he observed, the old days were gone; if he was to hold on to his labourers, he had to keep them pleased.

In another part of Bara Banki we met one of the pioneer scientific cultivators of the district. Back in 1930 the father, a qualified mechanical engineer, had been the first in the district to install a tubewell. Together with his son he was currently operating a 50- or 60-acre mango orchard and a farm of 90 acres. Their main crops were sugarcane, paddy and wheat. They had an electric tubewell, an oil engine and a tractor. On some of their land they grew seed for the U.P. Department of Agriculture, for which they got 50 per cent more than for ordinary crops.

The core of their labour force was made up of 75 permanent workers. They paid each male worker Rs.45 per month. In addition

each labourer was allotted one or two bighas which he could cultivate for his family requirements. The farm also engaged casual workers as needed, possibly as many in the peak season as 30 or 40. Up to recent years, daily wages were only 10 or 12 annas. What with the labour shortage, daily wages in the peak season were now Rs.2 or even Rs.2.25. Only utterly landless people turned up for casual work: there were few of them and competition among the big farmers for their services was stated to be keen.

The permanent workers, we were told, put in an eight-hour day. According to the employer, the labourers did not send their children to school. They got some earnings from their children by putting them out to work as soon as they could. In school the children would cost money and there they would get ideas of not working.

KURMI AND KAMIYAS

When I went to Patna and drove out into the countryside I was astonished to find Patna district thickly studded with electric tubewells. "You see", I was told, "in one year as famine relief we have built twice as many tubewells in Bihar as there were in the State before the famine." We visited the big farm of an ex-zamindar, a kurmi who was now mukhiya of his village. As his home farm he operated 200 pakka bighas (equal to 125 acres). He had three private tubewells which had first been worked by oil engines. With the arrival of Damodar Valley electricity he had switched to electric motors. In view of the frequent power failures, however, he had held on to two oil engines which were put to work as required when the electric power failed. Among other equipment he also had a tractor, thresher, huller, and small chakki or flour mill.

He had 16 permanent workers. Each of these enjoyed the use of a bigha or 1.25 bighas of his lands, that is, all the harvest on that land went to the labourer. In return, the labourer had to work for his employer whenever he needed them, but he was not required to give them work every day. On the days these labourers worked, the men were paid $2\frac{1}{2}$ seers of paddy; their women got 1.25 seers of rice. At harvest time the permanent workers were entitled, in addition, to one-sixteenth of the harvest on the employer's 200 bighas.

Besides the permanent workers the employer also engaged daily labourers. In the peak season he paid men Rs.3 per day while women got only Re.1 per day.

The permanent workers of our host were called *kamiyas*, the traditional name in this part of the country for bound labour. When we went to another part of Patna district, we came across still more *kamiyas* and were informed that in Bihar the system remained widespread.

Batai tenancy, by contrast, was said to be on the wane. Although there used to be a lot of it in Patna district, direct farming was now so profitable that practically no one now gave out land on cropshare.

In Tanjore I met a very energetic owner-cultivator who personally operated 100 of his 150 or so acres. He worked all of this solely with what he called daily labour, that is men engaged on a day-to-day basis. He paid the men three Madras measures of paddy per day, in kind, plus 4 annas per day. Actual payment was made at the end of each week. Previously he had employed *pannaiyals* (permanent labourers) but now he was treating them as casual daily labourers.

A much larger producer in Tanjore requiring literally thousands of workers had solved his problem quite differently. For his field work he engaged no labourers directly. All his workers came in groups, each led by a different contractor. The employer paid the contractor on a piece basis for the various operations: so much per acre for planting, so much per acre for weeding, etc. It was up to the contractor to supply the labourers and get the work done. It turned out that both the contractors and the labourers were from Ramnad district and that a good few of them had been working for the same employer year after year. It was curious to see this kind of arrangement in agriculture, since it has long been common in construction work on the railways, in the PWD, and in many parts of private industry.

BUSINESS FARMING

What we are witnessing in India is the emergence of an advanced sector in agriculture that is broadly comparable to the advanced sector in modern industry. This new agriculture has been tested, has proved profitable, and is rapidly expanding. Accordingly, big business in India is campaigning for an open door policy of free entry into agricultural production. The house of Birlas has taken the lead in demanding a 'shift in Government policy away from co-operative farming and towards corporate farming.

The allure of agriculture for big business is a natural outgrowth of the factors discussed in the two earlier articles in this series, in the

context of high prices and the new agricultural strategy. The Government proposes to concentrate the lion's share of its aid to agriculture on some 32 million acres of land (that is, only about 10 per cent of the total) which has assured water supply and other advantages. In effect, these are already the better-off areas and they will now become relatively richer still.

At the same time, it is clear that Government policy will in practice aid those in a position to make substantial investments in land. The best-off elements in the countryside will benefit most; these now include gentlemen farmers and other mercantile and professional people who have jumped on the agricultural bandwagon. In effect, Government policy in the countryside tends to accentuate both regional and social inequalities.

In saying that, I do not mean that the poor are getting absolutely poorer. I would be the last to deny, or to try to minimize, the hardships of life of the bottom one-third of the rural population – India's millions of small cultivators and rural labourers who do not earn enough to eat regularly three square meals a day. My contention, nonetheless, is that even they have been affected by the prosperity of their neighbours, and by the changed conditions of life generally since 1947. Their actual level of living may still be miserable, but the level to which they aspire has risen.

2½ MEALS A DAY

Already for a number of months of the year in such areas as Punjab, Haryana, central Gujarat and coastal Andhra even agricultural labourers without land manage to eat two and a half to three meals per day. In the lean seasons of the year they may have to do with a scanty breakfast, some scraps at mid-day, and only one proper meal, usually in the evening. What they want for themselves and their children, however, is clear: three proper meals a day all the year round and preferably of rice or wheat. If this is what landless labourers want, it does not take much imagination to guess what their more fortunate rural neighbours must already be eating. This helps to account for the relentless pressure on food supplies, which does not let up even in years of record harvests. The upper and middle sections of the rural population are almost surely eating better than ever before. The bottom one third is trying to emulate them and, in some months of the year, actually succeeds.

CROP PATTERN

It is the pressure on the food supplies from all these people in the villages as well as the demand of the city population that has sent the prices of foodgrains sky-rocketing. In turn, this has helped to make agriculture profitable and has attracted the gentlemen farmers and others. It has also resulted in curious shifts in crop pattern. In earlier visits to Gujarat over the past 15 years, I had come to take it for granted that tobacco was the best-paying crop in the State. You can imagine my astonishment last month upon finding that over substantial areas a millet, hybrid bajri, had displaced tobacco even on the farms of some of the most modern cultivators. The new bajri is not quite so lucrative as tobacco, but it seems to be less subject to blight or to sudden shifts in price. What is more, there is an archaic commission system in the marketing of tobacco under which the producer has to wait a year or more to get paid for his produce. Hence the significant shift to the new bajri. I might observe, in passing, that such a shift from tobacco to bajri makes hash of the common but unsound distinction between "food crops" and "cash crops".

PROSPECTS FOR THE NEW AGRICULTURE

Before concluding, I would like to speculate a bit on the prospects of the new agriculture and its place in the country's economy. The new-style producers will certainly produce much more food, as they are doing in Gujarat in the case of hybrid bajri. As a long-term proposition, however, it would be unsound to count on them to cope with the country's food problem or to bring prices down. These producers are the most profit-minded people in the countryside. Naturally they relish the current high prices. At the same time they are well aware of the danger of a tumble. To protect themselves, they grow even now on part of their land some lower-yielding but better tasting varieties like *basmati* rice, which is among the most expensive in India. As soon as the prices of Taichung Native 1 and other varieties start to fall, they will shift to *basmati* rice or to other crops. It is the essence of their approach to farming that profits are more important than total production.

On the strictly agricultural front there are some fundamental problems which it is not the duty, so to speak, of the new agriculture to face and resolve; but it is not clear that the Government or anyone

else is taking them up with all the seriousness they require. One of these is drainage, the arrangements for which in the Cauvery, Krishna, Godavari and other deltas are hopelessly inadequate and antiquated. The two evaluation reports on the Package Programme (the S.R. Sen Committee Reports) emphasized this drainage problem. To cope with it requires long-term, exceedingly expensive work, which cannot be put off indefinitely. Otherwise the future of paddy production in these deltas may be jeopardized.

A quite different kind of problem is that of the vast areas of India that are not now and are unlikely ever to be served by canal irrigation. Many of these areas are also unsuitable for tubewells or other devices for tapping underground water. A third of the cultivated area of India, possibly more, may fall in this category. The way forward is scientific dry-farming which in the past half-century has made rapid strides elsewhere in the world. It is precisely this problem of improvement in the dry-farming areas, predominantly under small peasant cultivation, which has been – only temporarily we hope – shelved by the Government in favour of the Intensive Agricultural District Programme (the IADP or Package Programme, currently focussed on the High-Yielding Varieties). The new entrepreneurs in agriculture, as we have seen, prefer to work in wet areas with possibilities of tubewells, or canal irrigation or, better yet, a combination of the two.

A quite different but even more fundamental problem is that of the structure of landholding, the old problem of the mutual relations of landlords on the one side and on the other the small tenants, cropsharers and labourers. Here again, the emphasis on business-like agriculture results in the shelving of the problem. In doing so, hope is inevitably abandoned of bringing together:

(1) the large amount of work to be done for the improvement of village agriculture, and

(2) the vast masses of under-utilized rural labour.

The persistence of the agrarian problem has other implications. Tenants or cropsharers who hand over half of their crop to the owner necessarily have less to invest in the land than cultivators fortunate enough to own their land. In large parts of India there is a significant – indeed, often a substantial – difference in yields on tenant-cultivated land as against owner-cultivated land. The current emphasis on development in agriculture by purely technological improvements amounts to putting aside the land tenure and tenancy problem as if it were not there.

JOTEDARS AND MIRASDARS

But it persists and I saw its effects in West Bengal, Bihar, and the Tanjore District of Madras. The power that the dominant jotedars of Bengal wield over their small cropsharers, the bargadars and the bhagchasis, and the way they keep these small people stripped of resources help to explain why the agriculture of West Bengal remains one of the most backward and low-yielding in India today.

Tanjore was one of the first districts to be selected in 1960 for the Package Programme. For the past seven years the Government and the Ford Foundation have showered on Tanjore all sorts of funds, materials, equipment, and teams of special advisers. Compared with what it was, Tanjore has made some progress and the district is doubtless better off today. Yet compared with the neighbouring district of South Arcot, Tanjore remains relatively backward. The yields of paddy in Tanjore are only about one ton per acre whereas in South Arcot they are twice as high, averaging about two tons per acre.

There are many reasons behind this wide discrepancy: difference in quality of soils, poor drainage in the Cauvery irrigation system serving Tanjore, far greater attention in South Arcot to putting in wells with electric motors. Nonetheless, close to the heart of the problem lies the embittered, indeed poisoned, relations among the Tanjore mirasdars (landlords), their tenants, and their pannaiyals (permanent farm servants).

When I asked in Tanjore recently about the importance of the agrarian problem there, it was no less a person than the most scientific cultivator in the district who passed on to me the unforgettable remark of another mirasdar's pannaiyal: seeing the bejewelled wife of his landlord-employer walking proudly down the village street, the pannaiyal called out: "Madame, your ears are adorned with my blood."

When I was at the Secretariat in Madras, policy-making officers of the Package Programme told me that for increased production in Tanjore they were counting on the small and middle farmers. In Tanjore itself the Joint Director of Agriculture who was actually carrying out the programme told me flatly: we avoid social problems. He could not afford to get caught up in the tangled relations of mirasdars, tenants, and pannaiyals. In effect, this meant that he had to work primarily through the mirasdars.

It is to be hoped that the modern up-to-date producers in agricul-

ture will handle their labour better than the Tanjore mirasdars have done. After all, the labourers on the large-scale farms are more numerous and may prove easier to organize than those on scattered small patches. Industrial unrest in the large private sector undertakings is notorious today in India's cities. Unless the capitalists now spreading from the cities to the countryside manage their labour relations more skilfully, the last thing they will find in rural India is peace and quiet.

The persistence of many basic problems does not necessarily mean that capitalist agriculture in India will be blocked. Quite the contrary. The handling of these basic problems requires strong, determined governments at the Centre and in the States. This is precisely what India does not have and, for some years to come, may not have.

The Ministers at the Centre openly discuss their weakness. Thus in talking about the problem of procurement. Mr. Jagjivan Ram, Minister of Food and Agriculture, asserted that arrangements could be made to get grain from medium farmers. "But it was difficult", he confessed, "to tackle the big ones." (*The Statesman*, September 23, 1967.)

Capitalist farming is meanwhile giving quick and substantial results by way of increase in output, even if the systems of procurement and distribution leave a great deal to be desired. Since quick results are desired today by all governments of all shades, the current boom in capitalist agriculture is likely to spread and intensify.

Before the 1960's there used to be in the plains of India only a few pockets of genuinely capitalistic agriculture – parts of the Punjab and western U.P., central Gujarat, Coimbatore, and coastal Andhra. Now for the first time there has come into being in all parts of the countryside in India, a layer, thick in some regions, thinner in others, of agricultural capitalists. What is more, these capitalistic farmers seem to be the most rapidly growing group in rural India; they may already be the most powerful element. The implications of this are far-reaching, not only in the economic field, but for the structure of society and the future shape of politics.

11. The Emergence of Capitalist Agriculture in India*

In every major region of India today there is a boom in capitalist agriculture. Several years of sustained high prices for foodgrains have made investment in the production of high-yielding varieties of paddy, wheat, maize, and millets extraordinarily remunerative. Tubewells, electric pumpsets, tractors, bags of fertilizers, pesticides, and weedkillers provide visible evidence of the new style of farming which already covers a significant fraction of the land under cultivation. It is not only villagers of means who have begun applying modern methods on sizeable units of land. We are witnessing a veritable rush to the countryside of city folk eager to sink substantial sums into the soil.

The development of a technologically advanced, profit-oriented sector in village agriculture is a very recent phenomenon. In the years down to 1947, large landholders contented themselves, for the most part, with giving out small parcels on one or another kind of tenancy. Even where the fields were tilled by labourers, the relations between masters and servants followed "traditional" patterns and the cultivation was carried on according to "traditional" methods. The rarest type to come across in the Indian countryside in the days before independence was a genuine capitalist producer who worked his land with hired labour to produce crops for sale at a profit and re-invested his gains in intensifying production or enlarging the scale. This should not be taken to mean that British imperial policy was anti-capitalist. Quite the contrary. Government officials and other British spokesmen repeatedly called for a process of capitalist development in the countryside.

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LORD CORNWALLIS'S INTENTION

The most ambitious British effort to promote agricultural capitalism dates back to the 1790's when Lord Cornwallis, as Governor-General, pushed through the adoption of a Permanent Settlement of the land revenue in Bengal and adjacent areas. In his campaign for settling the Government's claim once and for all with the *zamindars*, Cornwallis argued that agriculture could be made to flourish only in a country where the landlords have a permanent property in the soil (see R. Guha, *A Rule of Property for Bengal*, 1963). Otherwise it would not be in their interest to undertake improvements or to encourage the *ryots*, their cultivating tenants, to do so. Quite simply Cornwallis aimed to remake village India in the image of the contemporary English countryside. It was precisely the rural society of eighteenth century England which provided the basis for the classic descriptions of capitalism by Smith and Ricardo in terms of the economic relations among prudent landlords, enterprising tenant farmers, and free wage labourers. That the hopes of Cornwallis and his successors were sorely disappointed is only too well known.

The *raiayatwari* system of dealing directly with the cultivators which was adopted by the East India Company in the nineteenth century as the principal alternative to the Permanent Settlement was also considered by some of its supporters as a means of transforming Indian agriculture. James Mill in particular held out great promise for the long-term results of this policy. The definition and protection of individual rights in the soil, Mill wrote, would have a liberating effect, loosening the peasant's ties to custom and the community. India might thus be stirred out of its stagnation, capital, and labour given free scope and the path to agricultural improvement opened. (E. Stokes, *The English Utilitarians and India*, 1959, pp. 69 & 127.) But once again the formula did not work.

The Famine Inquiry Commission appointed in 1878 lamented the absence of private farms conducted for profit by men of intelligence and industry acting as their own risk. In the judgement of the Commission, India was a land of small cultivators where the wealthier landlords took little personal interest in the details of better husbandry. Even landholders with capital to spare did not invest it in agricultural improvements. Rather there was a general disbelief in the financial advantages to be gained from changes in the system of cultivation. (Report of the Indian Famine Commission, London, 1880, Part II, pp. 137-138.)

The eminent civil servant, statistician, and historian, Sir W.W. Hunter, proposed in 1880 a solution for the “overpopulation” of Bengal. He called upon the Government to sponsor and assist the establishment of colonies in the less densely peopled provinces – as paying capitalist enterprises. “It is conceivable”, he opined, “that such facilities might be given as would make it profitable for capitalism and land companies to found agricultural settlements in Assam and the Central Provinces.” He suggested the great landholders of Bengal as suitable captains for these expeditions and mentioned by way of example the Maharajas of Burdwan and Darbhanga. Hunter was convinced that such colonies could yield a good profit, “but it requires a capitalist, and above all a native capitalist.” (*The India of the Queen*, London, 1903, pp. 154-155.)

JAVA AS A MODEL

There were Indian voices to pick up the refrain. Justice Ranade, the distinguished Maharashtrian economist and nationalist leader, made a strong plea in 1890 for Government to back capitalist investment in agriculture as it had in railway construction. He proposed as a model the Culture System which had been utilized from 1830 to 1870 in the Netherlands Indies. In Ranade’s version of the scheme as adapted for India, Government should advance loans at low interest to private contractors, “native” as well as British, who would undertake to plant particular crops for which there was a market in Europe. The raw materials produced by these enterprises, Ranade insisted, should also be processed by them in India. He summed up the Java culture system as a scheme for encouraging the planting of remunerative crops and manufacturing them for the European market, by private agency and private risk, with Government advances and under Government supervision, and with Government as the sole customer. This last aspect, he believed, would not be suitable for adoption in India since the British would not tolerate Government monopolies on the sale of certain products.

The fact that the scheme had become notorious in Java because it was founded on forced labour, Justice Ranade brushed quickly aside. The wages of labour in India, he explained, were so low that there would be no need for, and indeed no economic advantage in, the use of force. (M.G. Ranade, “Netherlands India and the Culture System” in *Essays on Indian Economics*, 2nd Edition, Madras, 1906, pp. 70-104.)

Several years previously Justice Ranade had made his views very clear as to the need for a class of wealthy large-scale Junker-style farmers as well as an independent "yeomanry." He wrote:

A complete divorce from land of those who cultivate it is a national evil, and no less an evil is it to find one dead level of small farmers all over the land. High and petty farming, with an upper ten thousand of the holders of large landed estates, and a vast mass of peasant farmers, this mixed constitution of rural society is necessary to secure the stability and progress of the country. (Ranade, "Prussian Land Legislation and the Bengal Tenancy Bill," *op. cit.*, pp. 276-313. See also Bipan Chandra, *The Rise and Growth of Economic Nationalism in India*, New Delhi, 1966, pp. 486-493.)

CALL FOR GENTLEMEN FARMERS

Inaugurating the agricultural classes in the Engineering College at Sibpur (Bengal) in 1898, Nitya Gopal Mukerji sketched the role he envisaged for the graduates of the new course. Some would serve as Revenue Officers, as District Engineers or in other governmental posts where their special training would be of great value. Others could become gentlemen farmers. Professor Mukerji gave a concrete example to illustrate the part he felt they could most usefully play.

Capitalists and educated men can derive profit from agriculture by acting as middlemen. . . . One has, say, five hundred bighas of land. He gets some cultivators of the neighbourhood to go into partnership with him and to give him half the produce. He gives them seed, well selected and of superior kinds; he finds them superior appliances for irrigation, hoeing, thrashing and winnowing; he buys for them manures, and he takes half the crop for himself. He knows how to store his crop secure against insects, and he sells it for seed again at twice the price at which he would have sold his crop at harvest time.

If trained agriculturists adopt this system of "cultivation by partnership" which is already well recognized in Bengal, the result "may prove to be of the highest benefit in introducing superior staples and superior methods of cultivation."

Professor Mukerji tended to be dubious about the profitability of farming directly with hired labourers.

By ordinary farming, i.e., by cultivating rice and pulses, with hired labour, a capitalist cannot expect to make farming pay in this country. . . . The average outturn per acre from mixed farming may be safely put down at Rs.50 and

the cost also at Rs.50. Ordinary farming therefore just keeps the cultivators who are their own field labourers and it pays them no better than service as a coolie. It is only by growing special crops such as sugarcane etc. that a capitalist or gentleman farmer may hope to make farming pay. (N.G. Mukerji, *Handbook of Indian Agriculture*, 1901, First Edition, pp. 599 and 196.).

H. Stanley Jevons, one of the pioneer British professors of Economics in India, gave a talk in Bombay in 1915 entitled "The Capitalistic Development of Agriculture." Professor Jevons strongly urged that more capital and energy be invested in agriculture by both landholders and cultivators. He called upon the zamindars to adopt the policies of great English landlords who undertake permanent improvements on their estates to facilitate the farming enterprises of their tenants. Members of landholding families should also, he believed, run large home farms directly. Government, and in some cases also large zamindars, could further the capitalistic development of agriculture by making available farms of from 300 to 1,000 acres each to be operated by men trained in agricultural colleges. Where the land was in the hands of small cultivators, the aim could be pursued by such means as consolidation of holdings; cooperation for credit, supplies, and marketing; Government inspection and grading of crops offered for sale; and the inculcation through schools of habits of thrift. (*Proceedings of the Eleventh Industrial Conference, Bombay, 1915*, as published at Amraoti, 1916.)

The Royal Commission on Agriculture in its *Report* on the investigations it had carried out from 1926 to 1928 deplored the fact that India had many large landholders but few large-scale farms. The Commission believed that it was important to encourage large landlords to develop their estates by establishing home farms run on modern scientific lines. They also urged that the big landlords should use their capital, which the Commission deemed ample, to sink tubewells, dig minor irrigation canals, build power plants, and undertake drainage and flood protection projects. Along with their home farms the landlords should develop seed farms; they should breed pure lines of livestock for their own needs and those of their cultivating tenants.

One great obstacle to large-scale farming, the Commission observed, was the way the tenancy legislation prevented capitalists and enterprising landlords from obtaining unrestricted possession of compact blocks of land. Although questions of land tenure were excluded from their terms of reference, the Commission took the

liberty of suggesting that, where the existing laws appeared to inhibit enterprising landlords, suitable amendments should be introduced to remove such difficulties. (Royal Commission on Agriculture in India, *Report*, Calcutta, 1928, pp. 12 and 425-426.)

Despite the fact that the Chairman of the Royal Commission, Lord Linlithgow, was subsequently named Viceroy of India and served in this post from 1936 to 1943, nothing came of the recommendation. The oft-described vision of a progressive English style capitalist agriculture in India appeared no nearer fulfilment in the days of Lord Linlithgow than in those of Lord Cornwallis.

THE PLANTATIONS

Capitalist enterprise did however take root and eventually thrive in one particular sphere of agricultural production, the plantations. Regular business companies were formed to explore the possibilities of raising crops not previously cultivated in India which could be sold on the European market. In the initial stages the planters received much governmental assistance. From the 1830's onwards tea and coffee, afterwards rubber, were planted in large "gardens" located in the hills, typically on land which had not previously been cleared. Ownership and management were almost without exception British: the labour was imported on a full-time or seasonal basis from the plains. The most important of these operations was the tea industry which by the time of the first World War occupied over 600,000 acres and utilized the latest developments in applied agricultural science. (Harold H. Mann, *The Social Framework of Agriculture*, Bombay, 1967, pp. 250-251 and 402-451.) It is scarcely surprising that capitalism did not spread from the upland plantations to the villages in the plains since the separation between the two modes of agriculture was so sharp, socially as well as geographically.

What did change significantly in many areas of the Indian countryside was the crop pattern: the peasants came to grow increasing quantities of industrial crops. The earliest to become widespread was indigo, fostered by the East India Company from the end of the eighteenth century. Although we read of indigo "plantations" owned and managed by British "planters," the terms are rather misleading since the so-called planters were primarily processors. By far the greatest amount of indigo was grown by small peasants under various systems of advances against sales. Similar

credit and marketing arrangements were used to promote the cultivation of such crops as cotton, jute, groundnuts, and sugarcane from about 1860 onward. There were also important increases in the production of wheat and rice for the market. The Indian villagers were, of course, accustomed for many centuries to growing foodstuffs and fibres destined to nourish and clothe the cities. It proved possible for them, within the framework of "traditional" peasant agriculture, to meet the rising demand for high-grade cereals and a variety of industrial raw materials. The fact that the cultivators grew what the market required did not mean that they had become little capitalists.

In theory, the peasants who grew the more valuable crops should have been able to profit from their sales in sufficient measure to invest in the improvement of their cultivation. In practice, the systems of landholding, taxation, credit, and marketing served to skim off the benefits in favour of other social groups. The vast majority of the cultivators never had a chance to accumulate for themselves enough capital with which to become capitalist farmers. For the upper classes, who were in a position to collect rents, lend out money at interest, or trade in agricultural commodities, the returns were so high that there was little incentive to invest in cultivation proper.

INDEPENDENCE · ADVENT OF PLANNING

Political independence, attained in 1947, provided the indispensable leaven required to prepare the way for the current boom in capitalist agriculture. The new national government which took office under Nehru was committed to a thoroughgoing economic transformation in order to overcome India's poverty and backwardness. In very short order, the country embarked upon a programme of investment, industrialisation and developmental activities which would have been inconceivable within the older imperial structure.

One of the principal achievements of the first three five-year plans (1951-1966) was the progress made toward the establishment of a nucleus of modern industry in each major sphere of manufacture. Hundreds of new plants under both public and private ownership were constructed and brought into production. Large public works included hydroelectric projects, roads, expansion of railway, harbour, and airport facilities. State and municipal authorities as well as the Centre put up office buildings, housing estates, even whole new towns like Chandigarh and Bhubaneswar.

Implementation of the educational targets of the plans gave primary and secondary schools to thousands of villages and towns. For higher studies a series of institutes of technology, colleges, entire new universities, and national research laboratories in the pure and applied sciences were inaugurated. During the same years clashes with Pakistan and China over border issues led to large military budgets. Factories were set up to turn out a wide variety of armaments, some of them as sophisticated as late-model Mig fighters. All taken together, the immense investments in public works, civil industry and military equipment led to a huge increase in the demand upon agriculture for foodstuffs and raw materials.

It is sometimes said that the five-year plans neglected agriculture. This charge cannot be taken seriously. The facts are that in India's first twenty-one years of independence more has been done to foster change in agriculture, and more change has actually taken place, than in the preceding two hundred years.

EFFECT OF LAND REFORMS

The decade after 1947 witnessed an impressive series of land reforms. The laws actually passed differed considerably from State to State: the broad results however are quite clear. A sizeable number of landlords, particularly among the absentees who had made their homes in the cities, lost much of their land in favour of their tenants in the villages. Many millions of cultivators who had previously been weak tenants or tenants at-will were enabled to become superior tenants or virtual owners; I concede this, even though I know, and have repeatedly put in print, the view that evasion (1001 ways of evasion) of land reform has been notorious, widespread, and systematic; and that loopholes for these 1001 ways of evasion have been deliberately put into the land reforms.

Of course the former landlords did what they could to evade the new laws. Those with firm roots in the countryside often succeeded. One of the devices widely employed was to shift tenants about each year from one piece of land to another so that they would not be able to establish rights as cultivators on particular plots. Another stratagem, explicitly permitted up to certain limits under some of the State laws, was for the owners to take for their own cultivation as home farms land which had regularly been given out to tenants. Sometimes weak tenants or cropsharers were compelled to sign

statements alleging that they were employed as labourers, so that the landlord would claim to be the cultivator. The reform legislation thus had the effect of inducing landed proprietors to undertake cultivation, or, at the least, to make a show of cultivating, if they wished to hold on to some of their ancestral lands. (See for example T.R. Metcalf, "Landlords without Land: the U.P. Zamindars Today," *Pacific Affairs*, Vol. XL, Nos. 1 & 2, 1967, pp. 5-18.)

Agricultural labourers were scarcely in a position to benefit from the land reforms. Practically nowhere in India was any land actually distributed to them. But a number of other factors led to an important change in their status. Among these were the increase of opportunities for non-agricultural work in construction, road-building etc.; the necessity for the higher classes to appeal to them in the elections based on *universal* manhood suffrage; and the widening of education. As a result, the various forms of bondage and unfree labour services, which were formerly rampant in many parts of India, have now virtually disappeared, except in States still notorious for this, as parts of Bihar and adjacent areas.

Along with the land reforms came a series of measures intended to revitalize agriculture. (For a useful review see R. Saran and H.L. Chawla, "Food Production Policies and Programmes since Independence", *The Indian Journal of Public Administration*, Vol. XIII, No. 3, 1967, pp. 461-483.) Modest schemes for improvement of minor irrigation works, clearing of weed-infested areas by tractors, distribution of manures, seeds, and fertilizers were followed early in the plan period by the much-publicized Community Projects. From an initial Block in Etawah District (Uttar Pradesh), the Projects and the National Extension Service which succeeded them eventually (by 1966) covered the whole of rural India. They were conceived as an integrated campaign to inculcate better farming methods, supply seeds, implements and other agricultural needs, mobilize the villagers for small-scale public works, and generally improve the quality of life in the village through such means as adult education and sanitation. Village Level Workers (popularly VLWs), Agricultural Extension Officers and Block Development Officers became an accepted feature of the rural scene.

In addition the Central and State Governments undertook a number of specific programmes for installing tubewells, village electrification, land reclamation, protection against erosion etc. The Ministries of Agriculture in New Delhi and in the State capitals and

the Indian Council of Agricultural Research went ahead with work on plant and livestock breeding and other scientific problems. On the recommendation of the Reserve Bank of India, the Government, in the second half of the 1950's, threw its weight behind a nationwide drive for the development of agricultural credit and marketing cooperatives.

SOCIALIST IDEOLOGY

The ideology in terms of which Nehru presented the successive agricultural improvement projects to the annual sessions of the Indian National Congress and to the Indian public, especially from 1955 onward, was egalitarian, cooperative and socialist. The aim was not only to increase production but also to create a more just social order in the countryside. From working together in community development activities and multi-purpose cooperatives, the peasants would progress to joint farming of their landholdings, and eventually to socialized agriculture.

What actually took place was rather different. A handful of families typically dominated the economic affairs of each village. As hirers of labour, givers-out of land on tenancy or cropshare, sometimes traders and moneylenders to boot, they held sway over the smaller cultivators and other petty folk. Within the village, this group was rich and powerful. By the same token they turned out to be the best able to profit from the benefits offered by the new programmes. It was they who had the fields on which to experiment with the superior seeds, the funds with which to purchase fertilizers, the wells to be equipped with electric pumps, the bullock carts to take advantage of the new roads, the credit standing with which to get advances from the cooperatives, i.e. to transform their agriculture with other people's or government capital. (For a convenient summary, see Gunnar Myrdal, *Asian Drama*, 1968, Vol. II, pp. 1340-1346.) It was not uncommon, in a number of districts, for the funds obtained by these leading families from the cooperatives for crop production at low rates of interest to be lent out again at higher rates, used to buy up commodities for speculation, or invested in non-agricultural enterprises such as bus lines. To an important extent, the large public expenditure on rural improvement served to put money into the pockets of a minority of landholders and cultivators in each village. In the initial years, it was by no means clear how many of those who profited would actually be led to reinvest their gains in cultivation, rather than in other ventures

which were traditionally more remunerative.

In the lively national debate over ways and means of development which characterized the 1950's, agricultural policies were subjected to frequent official evaluation and almost constant public criticism. Numerous observers expressed dissatisfaction with the results of the land reforms and improvement programmes which had been inaugurated with great fanfare. One point of view presented was that Community Projects, Extension Services, and specialized agencies were spread too thinly in their attempt to cover the entire country: they were trying to do too much in too many places with insufficiently trained personnel.

An alternative proposal was put forward in 1959 by a group of American advisers brought to India by the Ford Foundation. The Ford Team recommended a concentrated effort to push a few crops (above all, rice, wheat, and maize) in selected areas considered to have the greatest potentialities for a rapid increase. For maximum results, a combination or "package" of improved practices was to be applied simultaneously. The Government of India agreed to try out this "package programme." Between 1960 and 1962 it was launched on an experimental basis in fifteen districts, one in each State.

The total output of foodgrains per year in India in 1950-1953, using the Government's own revised figures as issued in the 1960's, at the beginning of the plan period stood at about 60 million tons. During the 1950's it rose by about one-third. As compared with the stagnation of the interwar years, the increase represented a solid achievement. (For pre-independence years see G. Blyn, *Agricultural Trends in India, 1891-1947*, 1966, pp. 95-96.) But it did not suffice to meet India's growing needs.

By the early 1960's the cereal production curve temporarily flattened out at about 80 or 82 million tons. With the exception of the crop year 1964-65, the total figure remained at or below the 82 million mark up through 1966-67. Meanwhile the population continued to grow at the rate of about two and a half per cent per year, and the implementation of the big third five-year plan for 1961-66 plus the supplementary arms programme put more and more funds into the hands of the urban consumers. One consequence was that foodgrain prices soared up and stayed up even after the harvesting of the splendid 1964-65 crop, and despite massive wheat imports.

NEW TECHNICAL POSSIBILITIES

An assured market at sustained high prices provides the classic incentive to investment in business enterprise. This prospect occurred in India just at a juncture when new technical possibilities of multiplying crop output were becoming available and when people with funds to spare were looking for new opportunities. Agricultural scientists in the United States, the Philippines, Formosa, Mexico and elsewhere have succeeded in recent years in breeding a series of varieties which, with heavy doses of chemical and natural fertilizers, ample water and protection against pests and diseases, provide dramatic increases in yield. The credit for breeding the new high-yielding wheats is usually given to the wheat research station established in Mexico, with Rockefeller and other U.S. subsidies after 1945. Although they played a role, this kind of presentation does less than justice to what Mexico's own scientists planned, formulated, and actually tried and started to do at least as early as the Cardenas Government of the 1930's and thereafter – I owe this information to Prof. Ivan Buddenhagen, University of Hawaii. By virtue of the national research institutions, agricultural universities, experimental stations, seed farms etc. which had been established since 1947, and also of the activities of the Village Level Workers and extension agents in popularising the idea of better varieties, India was prepared in the middle of the 1960's for the introduction of new strains of paddy such as Taichung Native 1, Tainan 3, IR 8, and ADT 27. Mexican dwarf wheat varieties, in particular Sonora 64 and Lerma Rojo, which were tried out in the same years, appeared to prosper under Indian conditions. High-yielding hybrid seeds of maize, jowar, bajra, and other millets have also been developed by now for use in India. With their heavy requirements of water, fertilizers and pesticides, the new varieties obviously cost the cultivator much more to grow, but the yields per acre are, at least in the initial years, often double that which can be obtained with ordinary seeds and methods. (See *Third Report on Intensive Agricultural District Programme: 1965-66 and 1966-67*, Ministry of Food and Agriculture, New Delhi, 1967.)

Among the farmers who welcomed the advent of the Formosa paddy and the Mexican wheat were, of course, the substantial village landholders who had survived the land reforms and benefited handsomely from the Community Projects and other forms of governmental aid in the 1950's. To produce the new varieties of

foodgrains or the even more rewarding fruits (especially grapes), eggs, poultry and green vegetables, for which there has been an increasing urban demand, requires careful supervision. Proprietors who had been in the habit of giving out much of their land to cropsharers or on other types of tenancy (more or less open according to the laws of the particular State) now found it more profitable to farm directly with hired hands. In many instances cropsharing arrangements have been terminated. The former tenants have been taken on as agricultural labourers, or else have had to go off to the urban slums in search of some other employment.

Another group ready to invest in production of the high-yielding varieties or the speciality crops were middle-sized cultivators who formerly worked only with their own hands and those of the other members of their families. In the wake of the land reforms and general economic expansion, some of those have managed to acquire more land and have started to hire labourers. Village merchants and moneylenders who had not previously taken interest in farming have also joined the bandwagon in order to profit from the favourable new situation.

URBAN RECRUITS

The most unexpected newcomers to agriculture are the recent recruits from the cities. Doctors, lawyers, and other professional men, high-ranking Government officers, military as well as civilian, have started purchasing land and embarking upon scientific cultivation. Often the new landowner drives out early in the morning from the town to supervise the operations on his farm; he returns in good time for his own main urban occupation. For some of the businessmen and industrialists, possibly a great many who have joined the flight to the land, there is an added incentive. Black or grey market money acquired in urban pursuits can be declared as the profit on the production of a valuable crop such as table grapes; and there is no agricultural income tax to speak of. Obviously the educated and sophisticated city people, well connected politically and with access to ample funds from Government, cooperatives or even private banks, can obtain the maximum technical assistance from governmental agencies for their farming ventures.

There has meanwhile been an important shift in national policy. After the failure of the monsoon in 1965, the Centre adopted a New

Agricultural Strategy based upon the package programme. The bulk of aid was henceforth to be concentrated in those parts of India best suited for the exploitation of the hybrids and the high-yielding varieties. The areas selected for this purpose were those with an assured water supply – canals, tubewells, or dependable rainfall – and other natural and institutional advantages which had already made them the most prosperous agricultural regions of the country. Of the 300 odd millions of acres cultivated in India, 32 million or roughly ten per cent were chosen in this manner to receive top priority in the supply of seeds, fertilizers, pesticides, farm equipment, pump-sets, soil testing facilities, agricultural education programmes and the like.

Not surprisingly, the districts and parts of districts singled out for favourite-son treatment are precisely those areas where a significant number of the local proprietors and the more successful cultivators have already taken to relatively large-scale farming with hired labourers, modern methods, and a sharp eye for profit. It is also in these tracts that rural merchants and moneylenders have seen fit to go in for agriculture as a business proposition, and, to a considerable extent, where city people have sited their farming enterprises. All of these capitalist agriculturists taken together add up, of course, to a small minority of the working farmers of the chosen regions. But, given their many advantages over the rest of the villagers, the lion's share of Government assistance inevitably finds its way to them. In effect, for coping with the food problem, the Government is now pinning its hopes on the speedy development of capitalism in the Indian countryside.

SIZE OF CAPITALIST SECTOR

We do not have the kind of data that would permit us to say within reasonable limits how many capitalist farms there are in India today. It may be worth while, however, to mention two earlier estimates based primarily on the Census of Landholding conducted by the National Sample Survey in 1953-54 and on the series of Farm Management Studies carried out in the different States from 1954 on. Sulekh Chand Gupta of the Agricultural Economics Research Centre of the Delhi University took as his point of departure the concentration of hired labourers on larger-sized farms as shown in the management studies. In the State of Uttar Pradesh, which he cited as an example, wage-labour provided a larger contribution to agricultural

output than family labour on farms 20 acres and over in size. Noting that the size of the holding upon which the bulk of year-round farm servants are concentrated varies between 7.5 acres in east and south India to 20 acres in north-west India, he proposed to take the number of households operating 20 acres or more as a rough guide to the number of capitalist farms. On this basis he suggested that, as of 1953-54, capitalist agriculture was being carried on by less than 6 or 7 per cent of all farms accounting for about one-third of the total area cultivated. ("New Trends of Growth" in *Seminar*, New Delhi, issue devoted to Indian Agriculture, October, 1962, No. 38, p. 26.)

G.G. Kotovsky of the Institute of the Peoples of Asia in Moscow followed a line of reasoning similar to Gupta's. On the grounds that in arid parts of India a holding of 20 acres may be cultivated mainly by family labour and that in irrigated regions hired labour may predominate on farms as small as five acres, he estimated that the area "cultivated wholly or mainly by hired labour in 1953-54" was approximately 25-30 per cent. Judging by this distribution of the operated area Kotovsky concluded that the capitalist sector represented the leading tendency in Indian agriculture, although it was not yet dominant. (*Agrarian Reforms in India*, Bombay, 1964, pp. 157-158.)

The difficulty with both of these estimates is that, unlike capitalistic production in agriculture, the use of labourers is no new element in the Indian countryside. It goes back at least to the Mughal era and probably to remote antiquity. With regard to more recent times, millions of field workers and farm servants were recorded in the early population censuses from 1881 onward. The fact that cultivation is carried on by hired workers does not necessarily mean that we have a capitalist farm oriented toward profitability, reinvestment, and expansion.

Aided by the superior technical knowledge and indefatigable efforts of my wife, I have worked through the data already mentioned for the 1950's and I have struggled with the later figures available in the household tables of the Census of 1961 and in the National Sample reports on landholding in 1960-61 and 1961-62. But at least as of 1968, I can come up with no assessment of the size of the capitalist class in agriculture which strikes me as any less crude than the tentative percentages put forward by Gupta and Kotovsky. Going by what I have seen myself, and by the reports of many other observers, I would say that the number of genuine agricultural capitalists was quite

small in the early 1950's, smaller than the proportion suggested by Gupta or Kotovsky; but that it has since been increasing rapidly in the second half of the 1960's. V.K.R.V. Rao was already calling attention to signs of this in 1962.

For the first time a class of capitalist farmers has come into being on an all-India scale. It is certainly likely to continue to grow in the proximate future. But I should not like to try to foretell what will become of Indian agriculture as a whole. The prospect for the vast mass of petty cultivators of the present day is far from clear. If for no other reason, their very number makes it impossible for many of them to become capitalist farmers. Whether they will continue at low levels of productivity and low levels of living alongside of the efficient capitalist enterprises, as in Mexico; whether they will be able to adopt modern methods and perhaps combine farming with non-farm employment, as in Japan; or whether their destiny will be similar to neither of these previous patterns of development, one possibility seems to have been ruled out. To the extent that the Government of India ever intended to do more than toy with the idea of introducing socialism in the countryside, we may say that it has been no more successful in that direction than was the British regime in introducing capitalism.

PART THREE

**CONCEPTUAL TOOLS FOR THE UNDERSTANDING
OF INDIA**

12. The Comparative Method of Sir Henry Maine*

To Sir Henry Maine the most absorbing feature of Victorian India was that there the dry bones of European history still stirred. The social institutions of British India, Maine held, were not comparable to those of nineteenth-century Europe, but they did afford close and striking analogies to earlier society, in the West. "A large part of ancient Europe," Maine wrote, "survives in India."¹ The task which Maine set himself was twofold: to use the living institutions of the East to illumine the past history of the West; and to use the much more richly documented and more sharply disputed history of the West to advance knowledge of the evolution of the East. Maine's point of departure and abiding interest were in legal institutions. He was insistent that they might be most fruitfully approached via the comparative method. To him goes the major credit for establishing as a subject "the natural history of law."² But Maine's ultimate aim, as we shall see, was still broader – nothing less than a soundly based comparative social science.

That he should have set himself such broad, "modern" goals should not occasion surprise. This was characteristic of many other outstanding Victorian thinkers who were Maine's intellectual contemporaries – of John Stuart Mill, Walter Bagehot, and Karl Marx, all

*Chapter in *Some Modern Historians of Britain*, edited by Herman Ausubel, J. Bartlet Brebner and Erling M. Hunt (New York, The Dryden Press, 1951).

¹"The Effects of Observation of India on Modern European Thought," being the Rede Lecture of 1875 which Maine delivered to the University of Cambridge; it was reprinted in the following year as an appendix to the third edition of Maine's *Village Communities in the East and West* (London, 1876); the quotation cited is at p. 224. Attention has recently been directed to Maine's Rede Lecture in Benjamin N. Nelson's illuminating study of *The Idea of Usury* (Princeton, 1950). My own appreciation of Maine's significance owes much to conversations with Dr. Nelson.

²*Ancient Law: Its Connection with the Early History of Society and Its Relation to Modern Ideas* (Tenth Edition, with Introduction and Notes by Sir Frederick Pollock, London, 1905), p. xiv. The phrase cited here is from Pollock's Introduction.

of whom died before him and of Herbert Spencer, Max Müller, and Lord Acton, all of whom died after him.³ What was truly astonishing about Maine was the intellectual feat represented by his *Ancient Law* (1861). In that single, short volume published before he was forty years old, he put the historical jurisprudence of Europe upon the path which it followed for more than a generation; at the same time, in his mode of drawing upon non-European materials, he gave a demonstration of the value of the comparative method which, for sheer brilliance (considering the state of knowledge in his day and the paucity of data available to him), has perhaps never been surpassed.

Ancient Law was not merely Maine's masterpiece; it also served to define his program of work for the remainder of his life. All of his other books⁴ were either supplements to *Ancient Law* or occasions for the fuller statement of matters first broached therein. His study of the *Early History of Institutions* was explicitly sub-titled *A Sequel to Ancient Law*. Above all, therefore, Maine was the jurist, the student of the development of legal institutions. Only in a subordinate sense was he a historian or analyst of India.

The present essay is clearly to be taken, then, as a sketch of a secondary aspect of Maine's thought, but one integrally connected with his primary field, law. What was perhaps most characteristic of Maine, in fact, was his belief in the value of uniting an interest in Western law with the study of Indian society. If we had a biography of Maine – and one has long been needed – we might know how he first came to hold this view. Lacking this, we can only surmise that it may have had some connection with his duties at Cambridge from 1847 onward, or with the waxing interest in things Indian at that time. Maine was named Regius Professor of Civil Law at Cambridge in 1847. He was then all of twenty-five years old. This was shortly before the period when the Indian civil service was annexed to the Universities.⁵ Maine soon had to deal regularly with students who were preparing to take examinations for civil service in India. At the same time India was a new, exciting field for all interested in philosophy (witness Emerson and Schopenhauer), comparative philology, and mythology. Sustained public interest in India, of

³Maine lived from 1822 to 1888.

⁴*Village-Communities in the East and West*, 1871; *Lectures on the Early History of Institutions*, 1875; *Dissertations on Early Law and Custom*, 1883; *Popular Government*, 1885; *International Law* [posthumously published], 1888.

⁵Cf. G.M. Young, *Early Victorian England* (Oxford, 1934), II, 499

course, did not antedate the great Sepoy Rebellion of 1857-58.

Whatever may have been the origin of Maine's study of India that country occupied a remarkable place in the general argument of his *Ancient Law*. The basic tenets of that work are too well known to require more than the briefest statement here. In the earliest forms of society in antiquity, both East and West, the rule of law was inseparable from the rule of religion. The unit of early society and ancient law was not the single individual but the group, to wit, the (large) patriarchal family headed by the despotic *paterfamilias*. Kinship was agnatic, being traced through the male line only, with the female line largely disregarded. The solidarity of the family grouping was celebrated and perpetuated by solemn household rites, like the Roman *sacra*. Joint holdings, group possession of land and movables, were the earliest and most common forms. Separate, individual holdings, individual wills, passage of "property" by testamentary succession were later and more modern forms. The latter arose in progressive societies from the long and slow process of dissolution of larger family ties. This process of the breakup of family ties and of the emergence of the individual as the typical legal personality Maine termed, in his most famous phrase, the passage "*from Status to Contract*."⁶

India was the perfect illustration cited in Maine's *Ancient Law* of a society which had not made the passage from status to contract. There it was, in the middle of the nineteenth century, a living embodiment of social and legal institutions strikingly similar to those which had already passed into history in the West. Under the sway of the ancient Hindu legal codes, he wrote, the dominance of the religious element in law was complete. The typical family form was the undivided or joint Hindu family sternly ruled by its patriarchal head. Descent and passage of possessions were through the agnatic line, with the position of women reaching the depths of inferiority in *sati* (suttee), self-immolation. Family rites were well preserved; if a dead patriarch's obsequies were not properly performed or not performed by the proper persons, his survivors could not succeed to his property. Joint ownership of property rather than individual holdings was still the rule in India. And the most typical and characteristic social unit of the land, the Indian village community, was "at once an organised patriarchal society and an assemblage of co-proprietors," worthy of

⁶ *Ancient Law*, as cited above, p. 174.

comparison with the Roman Gens or House.⁷

Upon the publication of *Ancient Law* Maine's career became indissolubly linked with his favorite illustration, India. He was invited to take up the post of Law Member of the Governor-General's Council in India, the highest legal post in the executive and legislative departments of the Government. After some hesitation, Maine accepted, sailed to India, and served in that position from 1862 to 1869. Most of his time was spent in the capital of the country, Calcutta, though doubtless he made the annual pilgrimage in the hot months to the hills. Maine's contacts with the people of India were broadened by the additional office which he assumed in 1864, that of Vice-Chancellor of the recently founded University of Calcutta. He returned to England in 1869 as Corpus Professor of Jurisprudence at Oxford. But this was no retirement from the affairs of India. One of his first achievements at Oxford was to write and deliver his lectures on *Village Communities in the East and West*, which dealt primarily with India. He was asked to serve on the Council of India (an advisory body to the Secretary of State for India set up under the Act of 1858 which ended the sway of the old East India Company). This he did, beginning in 1871. The final phase came in 1877, when he rejoined, for his last decade, his old University, Cambridge, as Master of Trinity Hall.⁸

The Oxford lectures on *Village Communities* showed how far Maine's insight into India had developed since the appearance of his *Ancient Law*. Maine based the earlier book on second-hand information; his views at best were those of an unusually gifted but distant stranger; and he permitted himself to make a blanket condemnation of caste. In the 1860's Maine saw India with his own eyes. He observed the full weight of the impact of the foremost Western "progressive" power, Britain, upon what had been the most stable and "stationary" Eastern society, India. He became acquainted with – in fact, a participant in – the fierce debate raging among British

⁷*Ibid.*, p. 276.

⁸A fuller summary of Maine's career may be found in Sir M.E. Grant Duff, *Sir Henry Maine: A Brief Memoir of His Life and Speeches* (selected and edited by Whitley Stokes, London, 1892). See also the other authorities cited by Pollock in his edition of *Ancient Law*; the references in Benjamin E. Lippincott, *Victorian Critics of Democracy* (Minneapolis, 1938), pp. 167-206; K.B. Smellie, "Sir Henry Maine," *Economica*, VIII (1928), 64-94; and Robert Redfield, "Maine's *Ancient Law* in the Light of Primitive Societies," *Western Political Quarterly*, III (1950), 574-589.

officials in India as to the nature and history of landholding and village structure, and as to the fiscal and legal policies which the Government should pursue in the countryside. The reports and research connected with this debate, he came to feel, constituted a striking parallel to the studies being pursued in Europe by Freeman, von Maurer, Nasse, and Stubbs, into the nature and development of the Mark, the manor, and feudalism. One of the chief aims of his *Village Communities* was that of bringing these two sets of investigators and investigations into the cognizance of each other. More important, he aimed to drive home to them the rich historical significance of the changes which were occurring, right in their own times, in pre-feudal, pre-manorial India, under the impact of British conquest and British agrarian policy.

The kernel of Maine's position in these Oxford lectures was that in the village communities of his own day basic elements of the archetypal village societies of India's early Indo-Aryan invaders still persisted; that by close analysis the broad outline of India's rural structure two to three millennia earlier could be discerned and the main tendencies in its slow process of change could be identified; and that this rural society was dissolving before their eyes under the impact of British government, law, and ideas. It was characteristic of Maine that he nowhere presented a full, systematic account of Indian rural evolution. His method was to indicate outlines, to mask rather than to display his profound learning. What he said can be summed up roughly as follows:

The basic institution of "Aryan" India was the patriarchal family. Groups of these families, united as "blood-relatives" by real or assumed kinship, formed village communities which exercised joint ownership over the land. Cultivation was governed by a multitude of collective rules, and once may have been in common; there was an ancient tradition of equality within the village and elements of such feelings persisted even into the nineteenth century. Authority in the village was exercised by a group of elders, traditionally a council of five persons, the *panchayat*. This body in theory did not legislate; rather it merely "declared" what was the time-honored custom of the village. These societies were obstinately conservative. *Within* each of them there was little or no place for competition (in the economic sense), or for the play of market forces. "Prices" and "rents" were customary, not competitive. There was an absence of land transfers, of evictions; and inferior or dependent tenures were at best very

imperfectly conceived and developed. Competitive and market forces, to the extent that they existed, operated only in the very limited sphere of the relations of one village with other villages, *not* within the village community itself. In short, these societies were virtually identical with the remnants of the ancient Teutonic Marks or village democracies then being discerned in the forest cantons of Switzerland by the English historian, Freeman, and celebrated by the great constitutionalist, Stubbs.

It was only with considerable reluctance that Maine brought himself to say anything about the slow process of change within the villages during the centuries from the pre-Christian era to the time of the British conquest of India in the eighteenth century. "There must be a considerable amount of conjecture," he wrote in reference to a related problem, "in any account which may be given of a series of changes which took place for the most part in remote antiquity, and which probably were far from uniform either in character or in rate of advance."⁹ Subject to this proviso, he pointed to what he believed to be an inherent tendency for Eastern communities to become little oligarchies. Many villages preserve a legend or myth of their founding; families connected by descent with the putative founder of the village often claim a privileged position in that village – and in neighboring villages as well, if the "founder" had helped originate a whole colony of villages. Traditions of this kind form the basis for a sort of village hierarchy, "the degrees of which are determined by the order in which the various sets of families were amalgamated with the community."¹⁰ Local conflicts, tribal wars, and invasions contributed to the growth of rural inequality; usurping families appeared which were strong enough to claim primacy in given areas and to perpetuate that claim in hereditary form until it became accepted as part of local usage. One of the forms which that claim took was the setting aside of the leading family's land in the village as a separate, unchangeable, and irremovable family lot in the cultivated area.¹¹

Maine warned in strongest terms against exaggerating the extent of such tendencies in pre-British times. Rulers came and rulers went, but

⁹*Village Communities* (Third Edition, London, 1876), p. 142. All references in the present article are to this third edition.

¹⁰*Ibid.*, p. 177.

¹¹*Ibid.*, p. 112.

village structure was largely unaffected. "From the earliest ages till the British entered it," he wrote, "[India] was under the dominion of comparatively powerful kings, who swept away the produce of the labour of the village communities and carried off the young men to serve in their wars, but did not otherwise meddle with the cultivating societies. . . . Intertribal wars soon gave way to the wars of great kings leading mercenary armies, but these monarchs, with few and doubtful exceptions, neither legislated nor centralized. The village-communities were left to modify themselves separately in their own way."¹² He repeatedly rebuked his contemporaries for failing to distinguish sharply enough between rudimentary and developed states of legal institutions. Although processes akin to early phases of feudalism (or feudalisation) had shown themselves in India, the country had never really been fully feudalised. The autocratically governed manorial group, headed by a local suzerain demanding and getting really feudal services, had never displaced India's "free" village communities – "free" in the sense of not having to perform "feudal" services. "Such nobility as existed was supported not by rents but by assignments of the royal revenue. . . ."¹³

Even the Moslem conquest of India, bringing with it what Maine regarded as an alien concept of the relation between the sovereign and the soil, had but a limited effect. The Moslem view was that "all the soil belonged in absolute property to the sovereign, and that all private property in land existed by his sufferance." Moslem practice based on this theory eclipsed the older, "ancient view of the sovereign's rights, which, though it assigned him a far larger share of the produce of the land than any western ruler has ever claimed, yet in nowise denied the existence of private property in land."¹⁴ Nevertheless, Maine insisted, Moslem rule "affected the people far more superficially than is assumed in current opinions."¹⁵

Right down to the last few generations there persisted a singular scarcity of indigenous law pertaining to tenures. Men remained of more value than land, and the village communities continued to absorb outsiders in the hope of getting more land tilled and meeting the burden of revenue payments to political potentates, monarchs, or emperors. The need for additional cultivators helped preserve a power

¹²*Ibid.*, pp. 159 60.

¹³*Ibid.*, p. 179

¹⁴*Ibid.*, p. 104

¹⁵The Rede Lecture for 1875, as cited above, p. 2 ?

of elasticity and absorption in the villages and kept them from becoming, with any rapidity, closed corporations. Right into the nineteenth century and his own times, Maine believed, there were peculiarities of organization which showed conclusively that in the enormous majority of examples the village-group was either unmodified or had not clearly passed into the manorial group.

When the British took over the land in the century from 1750 to 1850, the typical village set-up appeared at first sight to be fairly simple. The village-communities were little tribal brotherhoods, some of which acknowledged themselves to belong to a larger group or clan, while others acknowledged no connection with any outside body, save perhaps through "the shadowy bond of caste." The villages were so organized as to be self-sufficient, both in agriculture and in handicraft industry. "The brotherhood, besides the cultivating families who form the major part of the group, comprises families hereditarily engaged in the humble arts which furnish the little society with articles of use and comfort. It includes a village watch and a village police, and there are organized authorities for the settlement of disputes and the maintenance of civil order."¹⁶

When the British scrutinized these village communities closely, they found their structure to be much more complex. There were the leading families to consider, claiming a superior position in one or more villages; within the villages there often were little aristocracies or would-be oligarchies. In just what relation did such groups stand to the rest of the village populace? To the historian or social scientist in general this was and is a *theoretical* question of the highest interest. To the British conquerors of India, however, it was not only this, it was also the most important *practical* question of the day. For, as Maine wrote, the first civil act following the conquest of an area "is always to effect a settlement of the land revenue; that is, to determine the amount of that relatively large share of the produce of the soil, or of its value, which is demanded by the sovereign in all Oriental States, and out of which all the main expenses of government are defrayed."¹⁷

In the first phase of their land policy in India, the British in Bengal simply took up where their Moslem predecessors had left off. They assumed that as sovereigns the land was theirs, and they might

¹⁶*Village Communities*, pp. 175-76. It should be noted that Maine erred in including the artisans and watchmen in the village "brotherhood" proper.

¹⁷*Ibid.*, p. 149.

empower any persons they pleased to function as collectors of land revenue. After acting on this assumption for some years, they then attempted to create in Bengal a class of landlords like that of late eighteenth-century England. They therefore turned the men they had been using as revenue collectors – who previously had been tax-gatherers of the ex-Moslem potentates in Bengal – into great landed proprietors. These experiments were soon recognized as mistakes and passed into history as “proverbs of maladroitness management.”¹⁸ In their reaction, the British moved in the South Indian province of Madras to the opposite extreme. They recognized nothing and nobody between themselves and the immediate cultivators of the soil. From them their officials collected the revenue directly. It was not until the British conquered the upper Ganges Valley, declared Maine, that they really recognized that the true proprietary unit was neither the landlord nor the individual peasant, but the village community itself. Here they endeavored to make a revenue settlement – i.e., to fix the annual charges to be paid by the peasantry to the state – with the village community as a single unit.

With every one of these expedients, however, the British ran into endless difficulty. Their settlement with the top “landlord” group in Bengal (technically, the permanent *zamindari* settlement) had led to oppression of all the middle and lower ranks of rural society. Their settlement with the cultivating peasants in Madras (the *ryotwari* system) had led to the decline and discontent of the privileged rural groups above the common peasantry. In endeavoring to settle with the representatives of village communities considered as single units, they discovered these to be not simple groups but highly composite bodies, made up of “several sections with conflicting and occasionally with irreconcilable claims.” In the face of this problem, the British, as they conquered further areas of India in the nineteenth century, constructed in each new district a massive document called a “Record of Rights.” In this they made a detailed register of all rights over the soil in the form in which they were believed to have existed on the eve of the conquest or annexation. They registered all the owners of superior rights in the soil as “landowners, their conception of ownership being roughly taken from their own country. . . .”¹⁹

This process, described by Maine as one of the most arduous tasks

¹⁸*Ibid.*, p. 105.

¹⁹*Ibid.*, p. 157.

which any government had ever undertaken, did not solve the problem. Instead, it led to a new fundamental question which was still being debated during Maine's period of service in India in the 1860's. What was it that proprietary rights over Indian land implied, and what powers did they carry with them? Was proprietorship in India to be taken as the same assemblage of powers which constituted modern English ownership of land in fee-simple? On these questions Maine used the firmest language at his command: "there seems to me the heaviest presumption against the existence in any part of India [before its conquest by Britain] of a form of ownership conferring the exact rights on the proprietor which are given by the present English ownership in fee-simple."²⁰ Maine's justification for his position was not only the broad sketch of Indian landholding which has been summarized above; his view stemmed also from a masterly analysis of the British impact upon Indian agrarian society.

First, he emphasized that British policy and action, whether or not British officials were conscious of it, were dissolving the customary law of the country. In their land revenue settlements, Maine observed, his countrymen were doing more than selecting groups of persons and making them responsible for revenue payments; the rights of these persons in the soil, and their supposed relation to all other rural groups, were being reduced to writing with an exhaustiveness unprecedented in all previous Indian history. In the vague and floating order of customary societies like India, Maine wrote, "the mere definition of a right immensely increases its strength. . . . All agrarian rights, whether superior or subordinate to those of the person held responsible to Government, have a steady tendency to decay."²¹ Further, aggrieved persons could appeal to new courts (set up by the British) for relief. In the process a further body of written law, based on such cases, came into being. Here Maine enunciated a legal principle somewhat analogous to Gresham's Law: when they are found side by side, express written law invariably drives out unwritten customary law.²²

Second, British officials, in establishing a new set of *written* rights in the land, were bringing into being new rural classes in India. The reason for this lay in the fact that these officials were applying to India

²⁰*Ibid.*, p. 160.

²¹*Ibid.*, p. 150.

²²*Ibid.* p. 76

the only set of landed relations with which they were familiar, "the English forms of property in land. . . ." ²³ Thus the persons whom these officials felt to be holders of the highest rights in the soil they treated more or less as English landowners in fee-simple. As to the holders of inferior rights in the soil, these, they took it for granted, were to be treated as tenants-at-will in the English pattern. Thus over large areas of India the great mass of the cultivators were left to the mercy of the new landlords, who were empowered to extract from them the highest possible rents, i.e., "competition-rents," as distinguished from customary rents. Cultivators who did not pay the rents demanded of them were subject to eviction by their new landlords. Similarly, tenants who got into debt could be sued by their creditors; execution for debt could be levied on the land, following which creditors could break the net of village custom "by stepping without ceremony into the lot of a defaulting debtor." ²⁴

Third, British rule in India did more than provide new rights in the land and new courts to uphold those rights; it also brought the *Pax Britannica*, security, and an end to internal warfare. The money value of rights in the land rose continually; and the new individual possessors of such rights clung to them with ever-increasing tenacity. During the first three quarters of the nineteenth century, Maine held, the greatest change was the decline in group rights and the growth in the sense of personal right, of individual legal right. ²⁵ This was a process of extraordinary significance, Maine declared, for it meant that the older village community structure of India was dissolving and India's ancient customary society was passing into history: "this remarkable society, pregnant with interest at every point, is undoubtedly passing away. Just as according to the Brahmanical theory each of the Indian sacred rivers loses in time its sanctity, so India itself is gradually losing everything which is characteristic of it." ²⁶

For the four-score years since the appearance of Maine's *Village Communities*, it has remained the most comprehensive sketch of the long-term development of India's rural society. This is not to say that Maine's treatment of India has held the field unchallenged. For one

²³*Ibid.*, p. 182.

²⁴*Ibid.*, p. 113.

²⁵*Ibid.*, pp. 112 and 73.

²⁶*Ibid.*, p. 24.

thing his working methods have been subjected to considerable criticism. Maine never enjoyed robust health. Up to the age of 40 he was quite sickly. He never made on-the-spot investigations. Instead he relied heavily on individuals who had had extensive experience in the field. For his *Village Communities in the East and West* he used as informants Lord Lawrence, Governor-General of India during virtually all of Maine's time there, and Sir George Campbell, Chief Commissioner of the Central Provinces. In words that ring quaintly today, Maine wrote that he had made every effort "to control the statements of each informant by those of others."²⁷ But these informants were far from an adequate substitute for field work.

In addition to his methods, a number of Maine's concepts have been under critical fire. The conception of the Mark, or free, pre-feudal village community, which was axiomatic in Maine, is no longer held in anything like this form by prominent Western scholars. Parallel with this, Maine's general concept of a single kind of free village community as the earliest form of Indian rural society, quite similar to the Mark, has been considerably modified by writers on the history of India. In the cases of both India and Europe twentieth-century writers commonly allow much more than did Maine for marked rural differentiation and inequality in their ancient pasts. Particularly in the case of India, writers since Maine generally agree that variations in the forms of agrarian society in the different regions of India and in different periods of Indian history have been greater and more significant than Maine indicated. B.H. Baden-Powell, in fact, wrote an entire book in criticism of Maine's assumption of one underlying pattern of village organization as *the* Indian village community; at the same time Baden-Powell conceded that his own studies had had Maine's work as their foundation, their point of departure.²⁸ The position today, if one may venture to state it in one sentence, is that Maine's ideas may have been modified in a number of respects but they are very far from having been completely disproved or entirely displaced.

Maine's own attitude toward the great transformation of India which he saw and described was individual, yet characteristically Victorian. By temperament and outlook he was an aristocratic conservative. He was in a position to appreciate the force of authority,

²⁷*Ibid.*, p. viii.

²⁸*The Indian Village Community* (London, 1896), p. 5.

kinship, and custom in India's traditional civilization. Yet at the same time Maine was a nineteenth-century believer in the principle of progress. Thus he was prepared to look realistically but sympathetically upon the remolding of India's society under British rule. An unusual master of historical jurisprudence, he had the legal equipment necessary for the analysis of the process of change in Victorian India. If anything, Maine was too much the jurist. In his great love for the law he tended to treat it as a force of almost autonomous character. He had scant respect for the multitudes, the common people whose turbulence has been responsible, or been utilized, for so much of the change in human history. At times Maine almost gave the impression of preferring to the English "vulgar" the poor and ignorant "natives" of India, for among the latter, at least, there remained a live body of usages and traditions of immemorial custom.²⁹ Yet, when the Indians showed signs of turbulence, Maine had little patience with them. His treatment of the Sepoy Rebellion of 1857-58, in the long chapter on India which he contributed to a Golden Jubilee volume edited by Thomas Humphry Ward,³⁰ is perhaps the weakest of all of his writings on India.

To Maine the growth of individual property was inseparably connected with the progress of civilization. "The history of the two cannot be disentangled. Civilisation is nothing more than a name for the old order of the Aryan world, dissolved but perpetually reconstituting itself under a vast variety of solvent influences, of which infinitely the most powerful have been those which have, slowly, and in some parts of the world much less perfectly than others, substituted several property for collective ownership."³¹ But Maine's view involved more than this paean for private property. He also called for frank recognition of the fact that the transformation of India's society was not tantamount to a triumph of pure light over deep darkness. He urged his readers to recall to mind what had happened when England's own medieval cultivating groups fell to pieces (presumably about the fifteenth century and after). That age, Maine declared, was the one in which the "terrible problem of pauperism began to press on English statesmen. . . ."³² He indicated,

²⁹The Rede Lecture for 1875, as cited above, p. 215; *Village Communities*, p. 56.

³⁰*The Reign of Queen Victoria* (London, 1887), I, 460-528.

³¹The Rede Lecture for 1875, as cited above, p. 230.

³²*Village Communities*, p. 198.

in a prophetic passage, that India would soon be faced with a similar problem, and one which she would find far more difficult to solve, since "India has little mineral fuel and can have no manufactures on a scale to occupy a large surplus population. . . ." ³³

Perhaps the outstanding essay of Maine's career was his Rede Lecture of 1875. Herein he developed most explicitly the idea of a truly comparative social science, an idea which he had long entertained. Previously he had pleaded for the immediate and intensive study of India. Of all the societies of the East, he wrote in 1871, India can be the most instructive, because it is "the most open to sustained observation. . . ." ³⁴ Study it now, he had urged, before the process of dissolution was complete. The indigenous Indian phenomena of "ownership, exchange, rent, and price," Maine insisted in his Rede Lecture, were in their own way and in their own right "as equally natural, equally interesting, and equally worthy of scientific observation, with those of Western Europe." ³⁵ If India were studied in this way, it would contribute part of the materials for a new science. Other materials would be contributed by the set of inquiries being pushed vigorously during the third quarter of the nineteenth century into the institutions of the eastern part of Europe. Still further materials might come from the study of Indo-European peoples who had never been deeply affected either by Rome or by Islam (presumably some of the Scandinavian and Celtic peoples).

The last step of all will be to draw together the proper inferences from the close and striking analogies of these widely diffused archaic phenomena to the ancient forms of the same institutions, social forces, and economical processes, as established by the written history of Western Europe. When all this has been done, it is not unsafe to lay down that the materials for a new science will exist, a science which may prove to be as great a triumph of the Comparative method as any which it has hitherto achieved. . . . If such a science. . . is ever created, if the Comparative Method applied to laws, institutions, customs, ideas, and social forces should ever give results resembling those given by Comparative Philology and Comparative Mythology, it is impossible that the consequences should be insignificant. No knowledge, new and true, can be added to the mental stock of mankind without effects penetrating deeply and ramifying widely. It is conceivable that, as one result, we of Western Europe might come to understand ourselves better. ³⁶

³³*Ibid.*, p. 199.

³⁴*Ibid.*, p. 13.

³⁵The Rede Lecture for 1875, as cited above, p. 224

³⁶*Ibid.*, pp. 225, 230-31.

During his lifetime Maine's brilliant writings made him a prophet with honor in his own country. What significance does his work have today, two generations after his death? We may say at once that of the three major aspects of his scientific contribution – the questions he posed, the methods he employed, and the conclusions he reached – it is the last which has been most sharply challenged. This would have occasioned no surprise to Maine. His books are studded with references to the provisional nature of his views, arising in part from the scantiness of the empirical data available. Maine himself appreciated this more keenly than some of his sharpest critics, and his views often stand up better than theirs. For example, W.H. Moreland's recent re-examination of the agrarian evolution of India implies that Maine's position on the nature of rights in the land in pre-British India was at least as sound as, if not sounder than, that of his much-quoted adversary B.H. Baden-Powell.³⁷ Neither Maine nor Baden-Powell controlled the materials in Sanskrit and related languages, a competence which is today an indispensable pre-requisite to progress in this field. (It is not, however, inconceivable that Maine spent some time on Sanskrit during the first phase of his interest in comparative philology and mythology.)

The significance of Maine's analysis of India does not depend primarily on the relative soundness of his conclusions, as contrasted with those of Baden-Powell or any other later writer (assuming that these questions can ever be resolved decisively). Perhaps we can best assess the value of his work by asking what accounts for the incredible freshness of Maine's writings when they are reread today? The answer appears to lie in the ability he displayed to pose well-formulated basic questions, and in the methods which he employed while striving to answer them.

As early as the 1860's, Maine was asking what were the distinctive interrelations of kinship groups, village communities, and types of landholding. He called upon his governmental colleagues in India to help him to delineate the exact character of the impact of British landholding concepts upon the peculiar features of the indigenous land

³⁷Baden-Powell's criticism of Maine, as in his sketch of the *Origin and Growth of Village-Communities in India* (London, 1899), should now be contrasted with Moreland's discussion of rights in the land at the outset of his *Agrarian System of Moslem India* (Cambridge, 1929), p. 4. See also the relevant passages in W.H. Moreland and A.C. Chatterjee, *Short History of India* (London, 1944).

systems. By the 1870's, when Maine was convinced that the most thoroughgoing changes in all of India's rural history were taking place, he asked whether India's unique social structure was not becoming a thing of the past, and raised the question whether India would have the economic strength to bear the burdens associated with the developing new structure.

The questions which Maine was posing in the third quarter of the nineteenth century are the same ones which, as practical problems, plague India in the middle of the twentieth century. To his capacity to raise questions of such profundity Maine joined a singular tenacity of purpose which kept him pursuing such problems and revising his own formulations of them throughout his career. In probing these matters Maine did not have to worry about "cross disciplinary fertilization" or "interdisciplinary integration" or other such polysyllabic clusters which are so frequently met with in modern American social science. Maine was at home in history, law, political philosophy, land economics, comparative literature, and the new science of "primitive" man. He roamed about these disciplines freely. Their technical terminologies were familiar tools which he handled like an experienced craftsman. In this he was not unique, but rather in the continental tradition which also included Marx, Kovalevsky, Vinogradoff, Max Weber, and many others.

Long before the days of social anthropology and modern linguistics, Maine had a keen sense of cultural differences and of the deceptiveness of language. His handling of such complex phenomena as "property," "rent," and "competition" displayed his awareness that at any one time institutions with the same name can vary quite widely in different countries; and, over a span of time, an institution within a given country can alter markedly while retaining the same name.

For students of India, and for practitioners of the social sciences, Maine's questions, methods, and conclusions are still pertinent. Like others among his great Victorian contemporaries, Maine has "things to say to us today, if we will but listen to them."³⁸

³⁸Cf. the preface to R.L. Schuyler, *The Fall of the Old Colonial System, 1770-1870* (New York, 1945), p. vi.

13. Feudalism in India*

Source material for most of India's history is sparse, hard to handle, and quite removed from the facts of everyday life. Historians of India have had their hands full trying to make this refractory material tell us simply what happened and when. Their books provide meager fare for social scientists interested in delineating the chief phases or patterns in India's development.

To the present writer's knowledge there is no single work solely devoted to feudalism in India; nor is there even a single article on the place of feudalism in the historical evolution of India. To say whether there have existed in India any feudal ages – in the sense described in the introductory chapter of this book – would require a fresh examination of all the phases of India's history since invaders speaking Indo-Aryan languages made their way into the country from the northwest some thirty-three centuries ago. As an alternative, however, to a task of this magnitude, we can pick out for discussion the two regimes to which the term "feudal" has occasionally been applied: the Rajput rule in western India, and the Muslim regimes of northern India. We can begin by reviewing the work of two important writers who have looked at these phases of India's history in terms of feudalism, and then consider the extent to which the periods and institutions which they describe can justly be characterized as feudal ages.

I. THE RAJPUT STATES

"Sketch of a Feudal System in Rajasthan" is the title of one of the early sections in the magnificent work which James Tod published in 1829 on the *Annals and Antiquities of Rajasthan*.¹ Such discussion of

*Chapter in *Feudalism in History*, edited by Rushton Coulborn (Princeton, New Jersey, Princeton University Press, 1956).

¹James Tod, *Annals and Antiquities of Rajasthan, or the Central and Western Rajput States of India*, ed. with Introduction and Notes by William Crooke, 3 vols. (London, 1920).

feudalism in India as has taken place stems more from this than from any other single source. At the age of sixteen Tod was named a cadet in the army of the East India Company and about 1800 sailed from England to India. There he served for two dozen years, in both military and political capacities, principally in Central India and Rajputana. In the course of this work Tod developed a marked sympathy for the Rajput style of life, became a partisan of the Rajput princes, and gained their confidence to such an extent that some gave him access to the letters and records stored in their palaces.²

Tod himself tells us that early in his career he began to study the Rajputs as an avocation; and he came to suspect that the Rajput "martial system" and "traditional theory of government" bore striking analogies to the "ancient feudal system of Europe," at least "with reference to a period when the latter was yet imperfect." When Hallam's account of medieval feudalism was published in his *View of the State of Europe during the Middle Ages* (London, 1818), Tod examined it and his doubts were resolved.³ He concluded that the Rajput system was so strikingly analogous to the European as to be truly feudal. If Tod's view had been confirmed by subsequent investigators, then his conclusion would have had profound significance for the present study, for Rajputana is an area of exceptional importance to the analyst of social history. There are grounds for believing that from the eleventh to the eighteenth centuries the Rajput states preserved more of their antique structure than any other basic region of India. As one of the later writers on Rajputana, A.C. Lyall, put it in 1875, these states constituted "perhaps the best specimens of early institutions that can now be found within the purview of comparatively settled civilisation"; they were "the only ancient political institutions now surviving upon any considerable scale in India. . . ."⁴

Tod believed he saw characteristically feudal relationships wherever he turned in Rajputana. What, according to Tod, were their chief features? First, the hierarchical structure of society, at the top of which stood the several dozen leading princes of Rajputana. The superior houses each had the colorful regalia of feudalism: armorial bearing, banner, palladium, kettle-drum, silver mace, as well as a bard

²The remarks on Tod's career follow those in Crooke's Introduction to his edition of Tod's *Annals*, I, i-xliv.

³*Annals*, I, 154.

⁴*Asiatic Studies: Religious and Social*, 2nd edn., I, (London, 1907), 219-220.

to spread its fame. The great chiefs had under them vassals of higher or lower rank, according to the size of the landed estates which they held as fiefs. The obligations of the vassals included military service, attendance on the person of the prince for varying periods, and a number of payments, such as reliefs, escheats, aids, and wardships. The lower houses rested upon subdivision of the great grants, subdivisions which Tod explicitly termed subinfeudation; this process he considered to have extended to the lowest subdenomination, the *charsa*, or "hide of land," sufficient to furnish one equipped knight.⁵

Tod called the class of tenures which we have just sketched feudal – the lord (*thakur*) holds (*giras*) by grant (*patta*) of the prince. But these were not the only tenures in Rajputana. Alongside of them existed *bhumia*, freehold tenures which Tod considered the counterpart of European allodial tenures. *Bhumia* was "a most expressive and comprehensive name, importing absolute identity with the soil..." Lands so held were exempt from payment of the customary share of the crops owed to the local ruler; the chieftain's revenue officers could not measure *bhumia* holdings, nor could they assess them. *Bhumia* tenures thus were highly esteemed. The holders considered themselves scions of the earliest princes in Rajputana. The *bhumia* paid no fine for investiture, for their grants did not have to be renewed, since they rested on prescriptive possession. All that they were liable for were small annual quit-rents and local service, say as frontier guards or as a sort of irregular feudal militia. "So cherished," Tod tells us, was "this tenure of Bhum, that the greatest chiefs are always solicitous to obtain it, even in the villages wholly dependent on their authority: a decided proof of its durability above common grants." Because of *bhumia*'s advantages, in fact, a great object of ambition was to serve without a *patta* or grant. A favorite phrase on the lips of the Rajput nobility was *ma ka bhum*, "my land."⁶

In the Rajput states the lands held under these *bhumia* tenures typically were greatly inferior in extent to the lands held as grants. To illustrate the distribution of various types of land, Tod describes the case of Mewar (or Udaipur), the premier state of Rajputana and the one in which ancient institutions presumably persisted in purest form. Except for the central part of the state surrounding the capital city of Udaipur (named after its putative founder, Udai Singh), the great bulk

⁵*Annals*, 1, 201: 1, Book III, *passim*.

⁶*Annals*, 1, 190-197, 576-577.

of the land, roughly three-quarters, was usually held as estates by the chiefs. Each of these estates contained something like fifty to one hundred villages and towns. In the heart of the country lay the best and richest land which formed the crown demesne of the ruler or Maharana of Mewar. This tract, some twenty-five miles in circumference, was the *khalisa* or fisc. "To obtain any portion thereof," Tod stated, "was the reward of important services; to have a grant of a few acres near the capital for a garden was deemed a high favour; and a village in the amphitheatre or valley, in which the present capital is situated, was the *ne plus ultra* of recompense." *Bhumia* tenures, by contrast, appeared in the parts of Mewar settled since remotest antiquity, "where they were defended from oppression by the rocks and wilds in which they obtained a footing; as in Kumbhalmer, the wilds of Chappan, or plains of Mandalgarh, long under the kings, and where their agricultural pursuits maintained them." In the latter area as many as four thousand *bhumias* persisted. "They held and maintained without support the important fortress of that district, during [the past] half a century of turmoil, for their prince."⁷

What were the relationships among the prince, chieftains, lesser vassals, and *bhumias*? Here we must be on our guard against the danger of portraying the functioning of "government" in a more precise or organized fashion than ever in fact existed. Tod's own description of the "feudal system in Rajasthan" begins with the sentence: "It is more than doubtful whether any code of civil or criminal jurisprudence ever existed in any of these principalities; though it is certain that none is at this day [1829] discoverable in their archives." Subject to this reservation we may offer the following oversimplified outline of the governmental structure. Its mainspring was the prince. "The character and welfare of the States depend on that of the sovereign. . . ." Legislative authority, to the extent that it was more than a purely local phenomenon, emanated from the prince, his civil council, and his four chief ministers and their deputies. In practice, however, the principal concerns of the prince's council were the grand questions of general peace and threats to the tranquillity of the government. When these subjects were before the council, Tod tells us, the chieftains themselves constituted that body, in association with the prince. In quieter times it would appear that the principal

⁷*Annals*, 1, 166, 196-197.

business of the council was to supervise the collection of the revenues due to the crown and to administer justice in the crown demesne.⁸

The authority of the prince, in so far as it was exercised in the outlying districts, was wielded by two sets of officials: heads of garrisons manning border posts, and "resident rulers" (a civil officer and a military officer conjoined) of the constituent districts of the principality. The headquarters of the latter generally were in the principal place of each district. The civil power of these resident rulers usually was weak, since the chiefs were extremely jealous of their own prerogatives. Thus, Tod tells us, "in cases regarding the distribution of justice or the internal economy of the chief's estates, the government officers seldom interfere." In all cases involving property, the ancient, self-constituted tribunals, the *panchayats*, sat in judgment. In criminal cases the chiefs were not supposed to act without the special sanction of the crown, but in fact, Tod concedes, justice "has long been left to work its own way. . . ." The courts of justice of the princes always sat in the *khalisa* or crown demesne. "It was deemed a humiliating intrusion if they sat within the bounds of a chief. To 'erect the flag' within his limits, whether for the formation of defensive posts or the collection of duties, is deemed a gross breach of his privileged independence, as to establish them within the walls of his residence would be deemed equal to sequestration."⁹

Sequestration raises the crucial question of the mutual relations of the chiefs and their vassals. Under what conditions could a prince or a chief resume a grant made to a vassal? What was the term of these grants? Under what conditions could a vassal renounce his obligations to his lord? Tod's handling of these questions is decisive for the applicability or non-applicability to Rajputana of feudalism and its terminology. Following him, we may at once classify the *bhumia* land in a special category. Those who possessed land of this sort had a stronger and more valid right in the soil than grants from the sovereign himself. Otherwise, Tod queries, "What should induce a chieftain, when inducted into a perpetual [sic] fief, to establish through the ryot [peasant] a right to a few acres in bhum, but the knowledge that although the vicissitudes of fortune or of favour may deprive him of his aggregate signiorial rights, his claims, derived from the spontaneous favour of the commune, can never be set aside; and when

⁸*Annals*, I, 174, 170, 172.

⁹*Annals*, I, 167, 172, 167n, 171-172.

he ceases to be the lord, he becomes a member of the commonwealth, merging his title of Thakur, or Signior, into the more humble one of Bhumia. . . ."¹⁰

Our real concern is with what Tod called fiefs of the crown, particularly in the state of Mewar, where they long persisted in their purest form. Tod believed that in the first phase of the conquest by the Rajputs of the lands to which they have given their name (Rajputana or Rajasthan), fiefs were not grants in perpetuity but were transferable. But, as in Europe, so in Rajputana, during the evolution of the feudal system, fiefs changed from movable to perpetual to hereditary. In its developed form, the grant of an estate was "for the life of the holder, with inheritance for his offspring in lineal descent or adoption, with the sanction of the prince, and resumable for crime or incapacity: this reversion and power of resumption being marked by the usual ceremonies on each lapse of the grantee, or sequestration (*zabti*), of relief (*nazarana*), of homage and investiture of the heir." In characterizing these tenures, Tod emphasized the crucial importance of ties by blood. Typically a vassal was a kinsman of his chief, his lord. Where this was not the case, where chiefs had vassals (Rajputs to be sure) who were of different blood and from another Rajput tribe, then the estates of the latter were of inferior title. These "foreign" grants bore the epithet *kala patta*, "black grant." Such foreigners did not have the kinsman's "strength in the soil," even though they continued to hold the same estate for "twenty generations' duration."¹¹

In fact, consideration of the role of blood ties in that society leads to the conclusion that Rajput society was truly patriarchal. The greater portion of the vassal chiefs, Tod states, "from the highest of the sixteen peers to the holders of a *charsa* [hide] of land, claim affinity in blood to the sovereign." Further, "only those of pure blood in both lines can hold [true or hereditary] fiefs of the crown." The greatest prince among the Rajputs could wed the daughter of a Rajput father so poor that he possessed only one *charsa* of land, and not be degraded at all by such a marriage. In Mewar two great clans, Chondawat and Saktawat, formed the "blood royal," the Kula Sesodia, foremost tribe of the Rajputs; scions of subdivisions of these two clans composed the chief "vassalage" of Mewar. Such blood ties

¹⁰*Annals*, 1, 575.

¹¹*Annals*, 1, 192-195.

underlined the dangers to the prince in trying to resume a long-established grant. "Though in all these estates there is a mixture of foreign Rajputs, yet the blood of the chief predominates; and these [estates?] must have a leader of their own, or be incorporated in the estates of the nearest of kin. This increase might not be desirable for the crown, but the sub-vassals cannot be turned adrift; a resumption therefore in these countries is widely felt, as it involves many. If crime or incapacity render it necessary, the prince inducts a new head of that blood; and it is their pride, as well as the prince's interest, that a proper choice should be made."¹²

Critics of Tod, in fact, have raised the question whether in Rajputana the basic relationship actually was that of lord and vassal and have asserted rather that it was that of tribal chieftain and his blood kin. Tod himself furnishes us materials for probing this question. As an appendix to his "Sketch of the Feudal System in Rajasthan" he printed twenty documents, dating chiefly from the period between 1750 and 1820. This was the age following the disintegration of the Mughal empire. The older order of Rajput society was attacked from without and challenged by adventurers and ambitious warlords within. Those who embodied and benefited from the older, long-established arrangements of society protested and eventually sought outside aid. One of the chief forms which their protests took was a restatement of the antique arrangements of society and the way in which they were being defiled. Chief among the recipients of their appeals for aid was Tod himself, during the years from 1818 to 1822, when he was the East India Company's Political Agent to the Western Rajput States.¹³

The principal theme of these protests and appeals was that ancient usages were being set aside and land usurpations were taking place. In particular they complained that the great princes and chieftains were not maintaining the dignities due to the lesser chiefs and other Rajputs, and that the peasantry were being oppressed by exactions and arbitrary fines. The chiefs of Marwar made a particularly clear statement to this effect, while describing in 1821 the process by which their prince, the Maharaja of Jodhpur, had dispossessed them. The Maharaja and themselves, they declared, were all of one stock of Rajputs, all Rathors. "He is our head, we his servants: but now anger

¹²*Annals*, 1, 155-156, 165, 193, 195.

¹³*Annals*, 1, xxvi.

has seized him and we are dispossessed of our country. Of the estates, our patrimony and our dwelling, some have been made khalisa [added to the fisc], and those who endeavour to keep aloof expect the same fate. . . . Such a spirit has possessed his mind as never was known to any former prince of Jodhpur. His forefathers have reigned for generations; our forefathers were their ministers and advisers, and whatever was performed was by the collective wisdom of the council of our chiefs. . . . Now, men of no consideration are in our prince's presence; hence this reverse." The first part of this terse pronouncement concluded with the following declaration about the mutual relations of the prince and the Marwar chiefs: "*When our services are acceptable, then is he our lord; when not, we are again his brothers and kindred, claimants and laying claim to the land*" (Tod's italics).¹⁴

Far from being couched in terms of vassals and their lord, this sounds more like the language of tribal brethren, men of the same stock, equal to one another. This would fit a tribe whose outstanding prince could marry with impunity the daughter of the poorest landed Rajput. Lest we seem to be making too much of what might be simply an isolated statement, here is a related declaration of 1819 from Deogarh, a district in Mewar, some miles north of the capital, Udaipur. In remonstrating with their chief, the Maharaja Gokuldas, the sub-chiefs of Deogarh began with the accusation that "he respects not the privileges or customs established of old." For our purposes the most relevant passage is one voicing the same sentiments as those expressed by the Marwar chiefs about the Maharaja of Jodhpur: "*When Deogarh was established, at the same time were our allotments: as is his patrimony, so is our patrimony*" (Tod's italics). Both the sub-chiefs who made this statement, and the kinsman and chief about whom they made it, belonged to the same branch of the main stock of the Sesodia clan, the head of which ruled Mewar. It is therefore significant that in their concluding passage the sub-chiefs declare: "Our rights and privilege in his family are the same as his in the family of the Presence [i.e., equality in the presence of the ruler of Mewar, the Maharana]."¹⁵

We have now to face directly the question: Are the holdings, described by Tod in terms of feudal relations of lords and vassals,

¹⁴*Annals*, 1, 228-229.

¹⁵*Annals*, 1, 230-232.

basically and primarily tribal holdings by blood and birthright of the clan? We must state at once that the editor of the best edition of Tod's *Annals*, William Crooke, took the latter position. Crooke, himself an outstanding authority on tribal organization in northern India, had little patience or use for Tod's comparisons of Rajput phenomena with those of medieval feudalism in Western Europe. Crooke wrote:

While it is possible to trace, as Tod has done, certain analogies between the tribal institutions of the Rajputs and the social organization of medieval Europe – analogies of feudal incidents connected with Reliefs, Fines upon alienation, Escheats, Aids, Wardship, and Marriage – these analogies, when more closely examined, are found to be in the main superficial. If we desire to undertake a comparative study of the Rajput tribal system, it is unnecessary to travel to medieval Europe, while we have close at hand the social organization of more or less kindred tribes on the Indian borderland, Pathans, Afghans, or Baloch; or, in a more primitive stage, those of the Kandhs, Gonds, Mundas, or Oraons [of the central highlands of India]. It is of little service to compare two systems of which only the nucleus is common to both, and to place side by side institutions which present only a factitious similitude, because the social development of each has progressed on different lines.¹⁶

Crooke's dismissal of Tod's feudal analogies might have been less summary, had not A.C. Lyall contributed in 1875 a masterly essay centered on political institutions of "The Rajput States of India."¹⁷ Lyall himself had an intimate knowledge of Rajputana, since he had served there as British Chief Commissioner in the 1870's. Also, as a friend and close student of Sir Henry Maine, he shared the latter's wide-ranging interest in comparative political institutions.¹⁸ Early in his analysis of Rajputana, Lyall emphasized that the term "Rajputana" did not so much mean "Land of the Rajputs" as "Lands Ruled by the Rajputs." (There were and are many more Rajputs outside of Rajputana than within it.) He urged his readers to think not so much of France, the country of the French, as of Lombard Italy, the country taken by the Lombards. To Lyall, in the western states of Rajputana, at least, "the conquering clans are still very much in the

¹⁶Introduction to *Annals*, 1, xxxix.

¹⁷*Asiatic Studies*, 1, 203-264.

¹⁸See the paper, "Sir Henry Maine," which I contributed to *Some Modern Historians of Britain: Essays in Honor of R.L. Schuyler*, ed. Herman Ausubel et al. (New York, 1951), pp. 66-84, preceding chapter in this volume.

position which they took up on first entry upon the lands.”¹⁹ The Rajput clans he saw as a political and military overlay upon the cultivating classes, composed mainly of castes and clans whom the Rajputs subdued when they first took possession. They were a conquering tribal settlement, the lords of the soil, and in each Rajput state the governing authority rested in the hands of the hereditary chief of the dominant clan. The chief was “supposed to be the nearest legitimate descendant in direct male line from the founder of the State. . . , and the heads of the branches from this main stock are the leading Rajput nobles, the pillars of his State.”²⁰

What was it, Lyall asks, that suggested the analogy with feudalism? He answers, the interior constitution of a complete Rajput state. The chief of the dominant clan normally possessed the largest single portion, the rest by and large being divided up among the branch families and their offshoots. Where the clan organization was strongest, there the territory ruled directly by the chief was likely to be the smallest; where the chief lately has been particularly strong, there his direct dominion is likely to be largest. Hereditary heads of the branch septs may possess large tracts of land and act like chiefs in miniature. The lesser chiefs pay certain duties to the state chiefs; they must render military service against the foreigner or against rebels; their lands are rated in terms of the number of horsemen they are to furnish. At every succession the heirs of the lesser chiefs are bound to render homage to the state chief and pay a certain fine to his treasury. These acts are essential to his entry into legal possession of his inheritance. He also pays some other customary dues which Lyall does not cavil at calling “of a feudal nature.” Alongside these services and payments “their jealousy of his power never sleeps.” But “disobedience to a lawful summons or refusal to do homage involves sequestration of the lands, if the Chief can enforce it, *bien entendu*. . . .”²¹

Such a society, Lyall wrote, bore a resemblance to feudal society which was at first sight striking enough. It misled Tod into missing “the radical distinction between the two forms of society, tribal and feudal. Although he clearly understands the connection of those whom he calls ‘vassals’ with their suzerain to be affinity of blood, still he

¹⁹*Asiatic Studies*, 1, 224. The remarks in this and the succeeding three paragraphs follow closely the language of Lyall, as cited above, pp. 225-245.

²⁰*Asiatic Studies*, 1, 228.

²¹*Asiatic Studies*, 1, 240.

insists that the working system of Rajputana is feudal."²² But, in truth, declared Lyall, nowhere in western Rajputana had the system become entirely feudal, i.e., nowhere had "military tenure entirely obliterated the original tenure by blood and birthright of the clan." Land tenure in Rajputana, he wrote, had not become the basis of the Rajput "noblesse"; rather, "their pure blood is the origin of their land tenure. . . ." This fact lay behind the protests of the Mārwar chiefs and the Deogarh sub-chiefs. These protests took "their stand on rights far beyond the feudal conception; and indeed it is universally assumed in every clan of Rajputana, that the Chief and ruler of the State is only *primus inter pares*."²³

In his final appraisal of Tod, Lyall saw him as one who had made an unprecedentedly exhaustive special study, founded on a knowledge of Rajputana unequalled in its intimacy; "and perhaps we should not blame him for failing to see that his Rajput feudalism was not the basis of the society, but an incomplete superstructure, and that Rajputana, as he surveyed it, was a group of tribal suzerainties rapidly passing into the feudal stage, which we now know to have been largely built up in Europe over the tribal foundations."²⁴ Thus, in conclusion, Lyall leaves us with the impression that feudalism might really have evolved in Rajputana had not British power overlaid the whole subcontinent in the century after 1750.

II. THE MUSLIM REGIMES OF NORTHERN INDIA

The most explicit characterization of early Muslim and Mughal institutions in India as feudal was made by the dean of Russian social and economic historian before World War I, Maxim M. Kovalevski.²⁵ One of the abiding interests of Kovalevski's long and distinguished career was the "historical-comparative study of the

²²*Asiatic Studies*, 1, 243.

²³*Asiatic Studies*, 1, 245.

²⁴*Asiatic Studies*, 1, 244.

²⁵See Kovalevski, *Obshchinnoye Ziyemlevladyenie, Prichini, Khod i Posled'stviya eva Razlozheniya* [Communal Landholding: Causes, Course, and Results of Its Disintegration] (Moscow, 1879). The translation of the chapters in it bearing on India would not have been possible without the encouragement and support of the Chairman of the South Asia Regional Studies Department at the University of Pennsylvania, Dr. W. Norman Brown. The translators of these chapters were Drs. Leigh Lisker and Surendra J. Patel.

process of development of landed property." India attracted him because of its extraordinary richness in archaic forms of land tenure; and because of the opportunity to study the way in which those tenures were dissolving under the impact of British agrarian policy. While still a neophyte, Kovalevski came to enjoy the friendship of the man who in the 1870's and 1880's was the foremost British authority on these subjects, Sir Henry Maine. To Maine's writings and conversations he credited the impetus for launching his own work in the same field; Maine undoubtedly helped to give him entree to the archives of the India Office in London, and their "voluminous and priceless materials. . . ."²⁶ Kovalevski found in London much of the material for his monograph, the sixth chapter of which deals with Muslim India.

According to Kovalevski the decisive influence in the direction of the "feudalization" of India was the series of Muslim conquests, particularly in northwestern India from the eleventh century onward. He developed his position by first outlining India's agrarian structure under the "Native Rajas" (i.e., chiefly Hindu), and then he analyzed the impact of the Muslim conquerors' policies upon the older institutions. Our presentation of his views will follow the same order.

In his analysis of agrarian structure under the "Native Rajas" Kovalevski did not find any characteristically feudal relations. He did discern two major kinds of property (*sobstv'ennost'*), communal landholding and individual. The basic, underlying and most typical he considered to have always been communal.²⁷ In the course of time communal holding by kinsmen gave way, Kovalevski believed, to common holdings by villagers who were not necessarily kinsmen. This in turn gave way to joint, indivisible family property; and finally there appeared, relatively late, individual land tenure. The process of individualization of property Kovalevski considered to have been a very slow one, extending over many centuries. He did call attention to two pressures which tended to decompose communal tenures into individual tenures: (1) pressure from the tribal chiefs, who strove to

²⁶Kovalevski, Preface.

²⁷This is not the place to discuss in detail the various categories of communal landholding listed and analyzed by Kovalevski: "gentile" communes (based on kinsmen), village communes (based on territorial co-habitants, rather than kinsmen), and familial group holding (indivisible "property" of the joint family). Suffice it to say that in the formidable body of literature on the nature and history of landed property, Kovalevski's views and many writings occupy a central position.

turn themselves into a sort of supreme proprietors of the territory occupied by their people; they tried in particular to claim special rights of granting unoccupied lands as private property to individuals or groups willing to bring them under cultivation; (2) pressure from the priestly caste, the Brahmans. To sustain their activities – religious observances, temple building, charity, and the like – the Brahmans desired gifts, especially land and its revenues. A serious obstacle in their path was the prevailing inalienability and indivisibility of village community and family land. It was to the interest of the Brahmans to accelerate the change from group holding to individual tenure. In analyzing successive legal codes in India Kovalevski called attention to what he considered to have been the results of pressure of this sort.

Kovalevski's central thesis was that the land policy of the Muslim conquerors of northern India, primarily from the eleventh century onward, set in motion a process of feudalization of this older structure. The distinctive feature of the Muslim land policy was the granting of *iqtas*,²⁸ that is, the Sultans distributed villages and districts to their followers on condition that they furnish upon demand a stipulated number of troops. In return for this military service the *iqtadars* (holders of the *iqtas*) turned to their own use the land revenue raised from the villages or district granted to them. (Kovalevski equated the *iqta* with the benefice of Western Europe.) Meanwhile the village population continued to hold the land either communally or individually, as before, but without the same personal status. In time, however, by a process of commendation, free proprietors "lost their independence, and therewith their allodial tenure became feudal." According to Kovalevski, this "feudalization" process had two phases: the first, from the twelfth to the fifteenth century (the "Turk" and "Afghan" conquests), and the second, under the Mughals ("Moguls" or "Mongols"), from the sixteenth to the eighteenth century.

The core of the feudalization process from the twelfth to the fifteenth century, according to Kovalevski, was the effort of the holders of *iqtas* to make their prerogatives hereditary and independent of the Sultan of Delhi's will. Thus an incident is recorded in the middle of the thirteenth century of many *iqtadars* refusing to perform military service on the ground that their grants were not conditional but

²⁸Kovalevski believed the *iqta* to have been of Persian origin, dating back to pre-Mohammedan times.

hereditary and unconditional. In this case, at least, the effort failed. The Sultan struck back hard by ordering those *iqtadars* who were incapable of bearing military service deprived of their holdings. He also resumed those grants which, upon the death of *iqtadars*, had passed into the hands of minors. The same conflict between Sultan and *iqtadars* marked the fourteenth century. Upon ascending the throne, successive Sultans of Delhi, although claiming the right to resume *iqtas*, generally confirmed the position of the existing *iqtadars*. In the reign of Firuz Shah (1351-1388), according to Kovalevski, hereditability received legislative acknowledgement. Firuz, we are told, "took active steps to assure an indisputable transfer of an *iqta* from the individual originally granted it to his heir." He also enlarged the sphere in which "benefices" operated by admitting not only officers but also soldiers to the usufruct of *iqtas*. Besides these steps in the military sphere, Firuz Shah also endeavored to extend hereditability in the sphere of secular affairs. Thus, during his reign, Kovalevski held, "there was completed in India the same transformation in the feudal system as in the Carolingian, the monarchy connected with the name of Charles the Bald. Like the benefices, the *iqtas* became hereditary."²⁹

The outstanding feature of the fifteenth century and the first part of the sixteenth, Kovalevski held, was the weakness of the central authorities and the struggle for power of minor officials and holders of *iqtas*. The empire of Delhi fell apart and the system of "beneficial tenure" became entrenched; and alongside these there grew up, "to the detriment of administrative and political unity," the system of leasing tax collections. In this setting Northern India offered weak resistance to invaders from Central Asia, and a bold adventurer like Babur, with only a few companions, was able to gather supporters in the middle of the sixteenth century and found the Mughal empire.

In their land policy the Mughal rulers followed in the footsteps of their Muslim predecessors. They granted *iqtas* to the military classes. The *iqtadars* had exclusive rights to payments in money or in kind from the districts which they held. "Their sole obligation was one of personally rendering military service and of furnishing at their own expense a specified number of infantry and cavalry soldiers." They were not required to make payments to the government treasury. In addition to these *iqtadars*, Kovalevski stated, whole districts in outlying parts of the realm were left in the hands of Hindu princely

²⁹Kovalevski, Chap. VI.

houses which had persisted through the earlier centuries of Muslim rule. They took the designation of *zamindars* (landholders) and undertook to collect land taxes and transmit them to the imperial government. For their service they received the right to levy and retain an additional assessment upon the local population. The holdings of these *zamindars* and of the *iqtadars* were not hereditary. The emperors and their provincial rulers insisted that they all had to be renewed at the beginning of each new reign and also retained the right to deprive at will holders of grants. But, as a matter of fact, "they did in most cases pass from the father to his oldest son."

In short, the Mughal rulers did not alter basically the land system which they found in India. In their regimes, however, basic changes did occur, in a gradual fashion. One cause of this was the vagueness and broadness of the rights granted the benefice-holders (*iqtadars*) and tax-officials (*zamindars*, in Kovalevski's terminology). Crushing taxes, persecution, and violence often caused "small owners" to abandon their land, whereupon the *zamindars* absorbed them as personal holdings. Alternatively the small holders might cede their rights to the large magnates and become their dependents, on condition that they retain its hereditary use. This arrangement, which Kovalevski termed strikingly similar to medieval commendation, bore the name of *iqbalidar*. It spread with particular rapidity as the Mughal regime weakened; the last strong emperor was Aurangzeb, who died in 1707. Simultaneously, the holders of benefices and the *zamindars* (in practice, these groups tended to merge) strove to make their positions hereditary. As their power grew, they found it more advantageous not to collect the land revenue themselves, but to lease out that right to third parties. In time these tax-farmers themselves claimed hereditary rights, and sublet their rights to still another class of subordinate intermediaries

Kovalevski concluded his account with an endeavor to state what was and what was not feudal in India, on the eve of the British conquest. For this purpose he listed four criteria of feudalism: system of benefices, commendation, leasing of offices, and patrimonial justice.³⁰ The first three of these, he held, had clearly existed in India under the Muslims. The fourth and last of these, private jurisdiction,

³⁰Kovalevski himself did not accept these as valid criteria of feudalism, but used them because they were widely employed in Europe at the time when he was writing in the late 1870's.

was clearly not present. The local courts (usually formed and conducted by the villagers themselves, in the form of *panchayats*, councils of five), handled most criminal matters and all civil matters, especially property suits. To this virtual autonomy in the sphere of justice Kovalevski attributed the principal difference between the less intense process of feudalization in India and the more intense one in Western Europe. The autonomy of the civil courts, in turn, he explained by the fact that "the leasing of offices did not take place by any means throughout the entire country. Whole districts were subordinated directly to the treasury and to tax officials by an arbitrarily appointed and removable administration. This system was in force not only in the Empire of the Great Mughals, but also in the monarchies dependent upon it to a greater or lesser extent. It alone was known to the Marathas, who step by step gathered into their hands [in the eighteenth century] the power over all of central and western India." The power of the central government, in short, explained both the limited development of feudal relations and the persistence of communal landholding and popular, rather than feudal, justice:

While in the West the tenure of land together with the exercise of supreme rights within the limits of individual communities and districts becomes in the end the property of the former benefice holders and local officials, whose offices become hereditary by law, in India toward the end of Muslim sovereignty this same result was attained in only a few districts; in the others communal and individual property remained, as before, in the hands of the native holders, but the exercise of governmental functions was entrusted to officials appointed by the central administration. . . . India's process of feudalization at the time the English conquered her was still far from completion. . . ."³¹

Views such as those of Kovalevski on feudal elements in Muslim India have been subjected to criticism almost as sharp as that given to Tod's sketch of Rajput feudalism. W.H. Moreland, in his major study of the *Agrarian System of Moslem India*, furnished perhaps the bluntest statement of this type for the era of the Sultans of Delhi. Moreland began his analysis by pointing out the need to distinguish between two types of *iqta*: mere "troopers" whose holdings were small, and great nobles charged with the administration of substantial tracts. The latter, Moreland discussed in terms of the name they

³¹Kovalevski, concluding paragraphs of Chap. VI.

usually bore in the thirteenth or fourteenth century, *muqti*. He pointed out first that for the thirteenth century many of the outstanding *muqti* early in their lives had been slaves who later rose to royal favor; in fact, several of the kings themselves were of slave origin, as a result of which the thirteenth-century dynasty has often been referred to as that of the "Slave Kings." For this reason alone Moreland regarded it as "quite impossible to think of such a nobility in terms of a feudal system with a king merely first among his territorial vassals: what we see is a royal household full of slaves, who could rise, by merit or favour, from servile duties to the charge of a province, or even of a kingdom – essentially a bureaucracy of the normal Asiatic type."³²

Just as the origin of the early *muqtis* led Moreland to reject the term feudal, so did his analysis of their position and duties. "A *muqti* had no territorial position of his own..." The king could post him anywhere, at any time, and remove or transfer him, for any or no reason. "Such arrangements are the antithesis of anything which can properly be described as a feudal system." The *muqti's* post was purely that of an administrator; his duties were to govern; if he failed, he could be fined or dismissed. Among his duties was that of maintaining a body of troops, whose strength and pay were set by the king. The *muqti* paid the troops out of the revenues raised in the area under his charge; after deducting this and other sanctioned expenditure, he had to forward the surplus to the King's treasury. The *muqti's* receipts and expenditures were subject to audit by the King's revenue ministry. If he was short, he sometimes had to pay with his own person, and not merely a pound of flesh; some defalcators were flayed alive. Some kings were less severe than others, but the auditing of accounts continued to be customary. On the basis of this analysis Moreland utterly and emphatically rejected the idea of applying feudal terminology to the Kingdom of Delhi:

We have officers posted to their charges by the King, and transferred, removed, or punished, at his pleasure, administering their charges under his orders, and subjected to the strict financial control of the Revenue Ministry. None of these features has any counterpart in the feudal system of Europe; and, as a student of European history to whom I showed the foregoing summary observed, the analogy is not with the feudal organization, but with the bureaucracies which rulers like Henry II of England attempted to set up

³²W.H. Moreland, *Agrarian System of Moslem India* (Cambridge, Eng., 1929), p. 218.

as an alternative to feudalism. The use of feudal terminology was presumably inspired by the fact that some of the nobles of the Delhi kingdom occasionally behaved like feudal barons, that is to say, they rebelled, or took sides in disputed successions to the throne; but, in Asia at least, bureaucrats can rebel as well as barons, and the analogy is much too slight and superficial to justify the importation of feudal terms and all the misleading ideas which they connote. The kingdom was not a mixture of bureaucracy with feudalism: its administration was bureaucratic throughout.³³

It would appear that the same kind of analysis which Moreland made of the Kingdom of Delhi can be extended to the Mughal regime which followed. Lyall, in his discussion of Rajput States, which was quoted earlier, referred to the levelling action of the Mughal emperors upon the older native aristocracy of India. Everywhere that their power reached, Lyall observed, the Mughals completely flattened the local aristocracy; while "the only aristocracy which they set up consisted of a few lucky individuals who managed to hold and transmit for a few generations the grants of land obtained as rewards for service, often as bigots, lackeys, or panders."³⁴ In support of this view Lyall quoted a striking passage from the celebrated *Travels* of Francois Bernier, a French physician who served at the Court of the last of the great Mughals, Aurangzeb:

It must not be imagined that the omrahs or lords of the Moghul's court are members of ancient families, as our nobility in France. The king being proprietor of all the lands in the empire, there can exist neither dukedoms nor marquisates; nor can any family be found possessed of wealth arising from a domain and living upon its own patrimony. The courtiers are often not even descendants of omrahs, because the king, being heir of all their possessions, no family can long maintain its distinction, but, after the omrah's death, is soon extinguished, and the sons, or at least the grandsons, reduced generally to a state bordering on mendicity, and compelled to enlist as common men in the cavalry of some omrah. The king, however, usually bestows a small pension on the widow, and often on the family; and if the omrah's life be sufficiently prolonged, he may obtain the advancement of his children by royal favour, particularly if their persons be well formed, and their complexions sufficiently fair to enable them to pass for genuine Moghuls. But this advancement through special favour proceeds slowly, for it is an almost invariable custom to pass gradually from small salaries and inconsiderable offices to situations of greater trust and emolument. The omrahs, therefore, mostly consist of adventurers from different nations, who entice one another

³³*Agrarian System*, pp. 218-219, 221.

³⁴*Asiatic Studies*, 1, 248-249.

to the court, and are generally persons of low descent, some having been originally slaves, and the majority being destitute of education. The Moghul raises them to dignities, or degrades them to obscurity, according to his own pleasure and caprice.³⁵

Using feudalism, in the sense of a method of government, as indicated in the Introductory Essay, we have to conclude that neither the Rajput States nor the Muslim regimes of northern India were feudal. Whether, without the coming of the British, feudalism would actually have developed in eighteenth-century northern India, or in nineteenth-century Rajputana, is at best a speculative question.

³⁵François Bernier, *Travels in the Moghul Empire*, ed. Archibald Constable (London, 1891), pp. 211-212.

14. The Relevance of Entrepreneurial Economics to Production by Peasant Households*

I

The appearance of a study of underdeveloped countries in the celebrated *Cambridge Economic Handbooks*¹ affords yet another illustration of the divided state of mind in which economists face the admittedly difficult task of analysing production by peasant households. These are often characterized as “subsistence” households, or, in attempts at greater precision, “semi-subsistence” households. Alternatively, the aggregates composed primarily of such households are referred to as subsistence (or semi-subsistence) sectors or economies. Since there is so much uncertainty about the meaning of the term “subsistence” in any and all of its variant forms, I should prefer simply to call them peasant households. I have in mind those which rely chiefly on own family labour and consume half or more than half of what they produce.² There are tens of millions of these households in the countries which are called “underdeveloped”; they certainly constitute the representative type of household in India and in a number of other countries of Asia, Africa and Latin America.

The central problem which plagues economists who have to deal with such households is that of finding or developing assumptions, concepts, and theories that will serve to explain the economic

*Unpublished manuscript completed in 1958.

¹P.T. Bauer and B.S. Yamey, *The Economics of Underdeveloped Countries* (London, James Nisbet & Co., Cambridge at the University Press, 1957, in association with the University of Chicago Press). See also P.T. Bauer, *Economic Analysis and Policy in Underdeveloped Countries* (Duke University Press, Durham, N.C., and Cambridge University Press, 1957).

²So far as concerns the production of India's principal food crop, rice, the *First Report of the National Income Committee in India* (April 1951) indicated that: “out of the total out-turn of rice, approximately 6 per cent is used for seed, 20 per cent for wage payments in kind, 46 per cent for household consumption by the producer himself or for barter, so that a total of 72 per cent is in the non-monetized sector leaving 28 per cent or only a little more than a quarter of the total of the production to be marketed” p. 36.

behaviour of these households.³ On the other hand, the economist knows or ought to know he has to be quite cautious in applying modern economics to households which are primarily *not* market-oriented. Thus Bauer and Yamey warn that: "the results of an analysis which is appropriate to an economy in which the subsistence sector is negligible may have to be modified materially when applied to an economy in which exchange is peripheral or not pervasive. We shall in several parts of the book illustrate the relevance of this difference" (p. 9). Although it may seem obvious, it will nonetheless be worth our while to go a little further than Bauer and Yamey do into the reasons why modern economics will not work well in a "non-market" (or largely "non-market") setting.

We should note at the outset that perhaps nothing has been closer to the heart of modern economics – or, at least, of modern micro-economics – than the concept of the entrepreneur (or firm) bringing together the various factors of production in the most efficient combination for the maximization of profit. Is the theory of the entrepreneur (or firm) applicable to the run-of-the-mill peasant producer? When we ask this question, we must resist the economists' tendency to start thinking in terms of organization and risk-bearing. From the early days of economic analysis the firm or the undertaker has occupied a position which no refinement in the theory of risk or uncertainty alters – and that is its function as a link between the "products market" on the one side and the "factors market" on the other. The firm is essentially a buyer of "services" and a seller of "goods"; it is not a "consumer" in the strict sense of the word and has, therefore, little urge to produce for the satisfaction of its own needs. It produces solely for the market; the more it specialises, the better for it, and therefore the more "firms" in the economy, the greater the move toward specialisation and the wider the "market".

Production in the peasant households we are considering rests on a quite different basis. The peasant household "sells" its services to itself and "buys" its products from itself. The peasant household is not a link between the two markets, but, so to say, a diminutive model of the two markets rolled into one. This is the basic reason why we cannot apply the theory of the entrepreneur to the peasant household producing for own consumption. The process of development of a so-

³Bauer and Yamey observe: "There are no special economic theories or methods of analysis fashioned uniquely for the study of the underdeveloped world." *Op. cit.*, p. 6.

called "subsistence" economy into a market economy requires more drastic changes than are usually realised, nothing less than the splitting up of the economic functions of the households and the differentiation of the two types of markets. The products market and the factors (services) market must be so separated that thenceforth micro-economic units like the "firm" and the "household" typically operate as two opposite sides of these markets. The "firm" buys services and sells products; while the household sells "services" and buys "products".

Efforts to analyse peasant household production in terms of undertaker-economics really presuppose a change at one and the same time in the status of the peasant producers in *both* markets. A peasant household which has been growing two or more crops principally for its own needs will have to become a more specialised producer and appear as a seller on the products market; at the same time, and possibly still more important, the peasant household will also have to appear as a buyer in the factors market in a rather distinctive manner. The peasant producer will have to become a borrower of capital and an employer of labour supplied by others. It is only when this happens that one can speak of a "market" in which supply and demand are not always and necessarily equal, and anticipation and risk-bearing become a specialised function.

The temptation which economists find almost irresistible is to analyse peasant households in terms of market economics and the theory of the entrepreneur before the coming into being of the "market" and "firms" postulated in such analysis. Bauer and Yamey's book affords an instructive illustration of this procedure. They open their book, as we have noted, with a warning to the economist to be wary in applying his "general-purpose tools" to under-developed economies marked by "subsistence production". In the body of their work, however, they define a "subsistence economy" so narrowly as to exclude most parts of the world in which there is so-called "subsistence production". Thus they write:

In a subsistence or near-subsistence economy people consume very little beyond what they produce by primitive methods. Production aims at meeting directly the wants of the producer, his family or some other narrowly defined and circumscribed group.

They further observe:

The emergence of a market or exchange economy in place of a subsistence economy is an essential condition of economic progress beyond a most primitive level. (p. 182.)

In this way, they exclude as non-market economies only those at “most primitive” levels. They then argue as though the entire tool-box of modern economic analysis could be applied to the agricultural economies of the rest of the underdeveloped areas. Thus their discussion of the fundamental issue of land reforms in Asia, Africa, and Latin America runs in terms of “the ratio between the various classes of resources” (p. 210). In discussing the control of agricultural rents they assert that

the supply and demand conditions for lands in general...is the major factor determining the level of rent which could be demanded from any particular tenant for a particular piece of land. Hence the landlord will at best be able to secure only a small part of the higher annual product resulting from a particular tenant's efforts and improvements, *the size of which is determined by the cost and inconvenience to the tenant of moving to another property.* (p. 211 – italics mine.)

They oppose government-sponsored reduction of rent and debt because

it discourages the division of labour between those who are more efficient in managing or improving land, and those who are more efficient as cultivators unburdened by the problems of the ownership and management of land. It also discourages arrangements between those who have capital which would flow into agriculture in the acquisition and improvement of land provided they did not also have to cultivate their land, and others who are good cultivators but do not dispose of the capital to acquire or improve the land for their purposes. (p. 212.)

Bauer and Yamey further tell us:

The compulsory reduction of rents, or the prospect of such a measure, inhibits economically efficient arrangements, and obstructs the best combination of land, capital and administrative ability...

Statutory reduction of rents, and restrictions on owners' rights to evict

tenants are opposed, because they may attach the tenants more securely to the land.

This reduces the mobility of cultivators, and makes it difficult, if not impossible, for landlords to make changes so as to put their land at the disposal of the best able to use it. (p. 212.)

Mobility of labour, transferability of capital, division of labour, supply and demand conditions for land, most efficient combination of the factors of production! This is nothing less than the wholesale application to peasant households of postulates and concepts of general economics.

II

Professor D.R. Gadgil of Poona, perhaps more sharply than any other economist with roots in an underdeveloped economy, has criticized and rejected such applications of theoretical analysis formulated in one country to another very differently circumstanced. As against the "pseudo-universalism" of modern economics, Professor Gadgil has emphasized the fundamental importance, in determining economic policy, of the social environment within which the economic problem is posed. He totally rejects for India all policy prescriptions of the "laissez-faire" variety, pointing out that the assumptions on which these rest ("perfect competition" and "full employment") are not even remotely justified in his country. He has argued cogently, and adduced important evidence to show, that in India the standard theory of agricultural rent falls to the ground.⁴ Similarly he has shown that in India the traditional market analysis of wages of industrial labour collapses, even though there have been many reasons for expecting it to have been borne out.⁵

Professor Gadgil warns that the theoretical formulations of the neo-classical economists, although they may appear simple and convincing, are really based on a number of complex assumptions.

⁴"A Note on Agricultural Rent" read at the third Conference of the Indian Society of Agricultural Economics, 1961. Reprinted in D.R. Gadgil, *Economic Policy and Development (A Collection of Writings)*, Gokhale Institute of Politics and Economics (Poona, 1955), p. 36.

⁵D.R. Gadgil, *Regulation of Wages and Other Problems of Industrial Labour in India*, Gokhale Institute of Politics and Economics (Poona, 1943). Lecture I, and *passim*.

These assumptions, he holds, are never actually realized and, in fact, may take us very far from the realities of the situation. Even from the point of view of framing practical policy, Gadgil observes, sound theory is important.⁶

It is, therefore, all the more instructive to find Gadgil himself succumbing to the temptation to apply orthodox economics to India's agriculture. More elaborately than any other writer on India's rural economy, Gadgil has analysed the ordinary Indian peasant as a businessman, an "enterpriser", and his farm as a "commercial enterprise", a business run for "net profit". Let us see how he did this. Professor Gadgil developed this approach back in the 1930's as one of the pioneers in the application to India of the survey method of farm business studies. The basic aim of his survey, Professor Gadgil has explained, was to obtain representative data on farm income and farm profits. Such data, it was hoped, would give a broad picture of the farm economy of the tracts or regions studied, and would throw light on the factors affecting profitability.

In the important study which he and V.R. Gadgil published in 1940, *Farm Business in Wai Taluka*, Professor Gadgil has indicated that with some modifications and restrictions his method, technique and terminology followed standard American and English farm survey practice.⁷ The same techniques, terms and methods were used in Professor Gadgil's subsequent study of an irrigated tract in another part of the Bombay Deccan.⁸ The outcome of these efforts to apply to India techniques and concepts drawn from a Western milieu remains today of the highest interest. Let us turn first to the main results of Professor Gadgil's original study comprising some 600 representative farms in the Wai Taluka, one of the most favourably situated parts of the Bombay Deccan. The two principal concepts in terms of which Gadgil framed his analysis were "farm income" and "net profit".

"Farm income" was derived by subtracting farm expenses from farm receipts. For this calculation, money values were attributed to virtually all receipts and expenses, no matter whether these were in

⁶D.R. Gadgil: "A Note on Agricultural Rent", *loc. cit.* p. 36.

⁷D.R. Gadgil and V.R. Gadgil, *A Survey of Farm Business in Wai Taluka*, Gokhale Institute of Politics and Economics (Poona, 1940), pp. 8, 9, 11; 44, 131, and the bibliography at pp. 133-136.

⁸D.R. Gadgil, *Economic Effects of Irrigation: Report of a Survey of the Direct and Indirect Benefits of the Godavari and Pravara Canals*, Gokhale Institute of Politics and Economics (Poona, 1948), Part I.

cash or in kind, retained or sold, consumed personally or used up in the course of farm production. On this basis the average receipts for the 600-odd farms in the 21 villages studied in 1937-38 worked out to Rs.411.5; while farm expenses came to an average of Rs.323.1. Average farm income – receipts minus expenses – thus worked out to Rs.88. Gadgil has pointed out that this is a highly significant measure. It gave us, he writes, “the nearest approximation to what is normally considered by the farmers and the rest of the community as the income of farmers and what mostly determines their standard of living.”⁹ Nevertheless, Gadgil noted that it was a composite measure. In computing farm expenses, no allowance was made for interest on farm investment nor for the cost of the labour of the “operator” and his family. Thus “farm income” in this definition lumped together “the total income received by the farmer from his business in respect of his capital investment, the labour put in by him and his family, and the profits of the farm business”.

Gadgil therefore advanced the concept of “net profits,” which in his view was theoretically superior as a measure to “farm income”. In his own words, “Net profit is what remains after deducting the cost of the labour of the operator and his family and interest at three per cent on the capital invested.”¹⁰ The net profits measure, by making due allowances for interest on investment and cost of family labour, was intended to reduce “all business to a properly comparable level”. According to Gadgil, the average allowance required per farm for interest on capital invested was Rs.82; while the average cost of family labour would have been Rs.103. When these two allowances were subtracted from the average farm income of Rs.88, the “net profits” per farm turned out to be a loss of Rs.99. Not only was there an average loss for the 600 farms taken as a whole, but this was also true for the groups of sample farms in each one of the 21 villages studied.

Professor Gadgil emphasized the significance of these results by indicating that the year to which they related was 1937-38, well after the passing of the Great Depression; and he has further indicated that they reflected a chronic condition, namely, that India’s agriculture is “deficit” or “uneconomic”. In an article published in 1944 he has related these findings to the very small scale on which the “individual

⁹*Survey of Farm Business in Wai Taluka, op. cit.*, p. 95.

¹⁰*Farm Business in Wai Taluka*, pp. 47 and 95. “The value of the unpaid labour of the operator and of the members of his family,” Gadgil wrote, “is determined on the basis of what it would cost to have the same work done by hired help. . .” (pp. 45-46)

agricultural enterprise" is carried on, and to the limits thereby imposed on the resources and technique of the "enterpriser". In essence, he has stated,

The Indian agricultural enterprise does not yield any positive income to the agriculturist if the normal charges (normal as in Indian conditions) on the enterprise by the way of interest on capital and remuneration of the unpaid labour of the family are calculated. . . even if the Indian farm is considered not as a commercial enterprise but only as a unit in a system of subsistence economy, the subsistence that it offers to the agriculturist and his family is meagre in the extreme.¹¹

How legitimate is this treatment of the peasant farm as a "commercial enterprise"?

Since the economic activity of these households has been treated in terms of "business", we have first to ascertain how much of the "receipts" and "expenditures" represent genuine transactions and how much has been made up by one or another kind of attribution or imputation. Out of the average receipts per farm of Rs.411.5, we should note that only Rs.93.4 (less than one-quarter) stood for actual receipts from sales; the average value of crops sold was only Rs.77.8, and the value of milk and other livestock products sold was Rs.15.6. The difference between gross "receipts" of Rs.411.5 and actual cash receipts of Rs.93.4 amounted to Rs.318.1, which was made up of the following items: Rs.117.2 of farm products eaten up by members of the households (i.e., private drawings in kind); Rs.113.9 of fodder, seed, and manure produced on the farm and utilized for crop and livestock output; Rs.51 of the farm's own produce utilized for payment in kind; and, lastly, Rs.36 of minor items, of which Rs.14 stands for miscellaneous receipts, Rs.14.6 for accounting and appreciation entries, and Rs.7.4 for receipts, mostly in kind, from landlords which were in effect cancelled out by payments to landlords.

Of the average farm's total "expenditure" of Rs.323.1, we find that Rs.134.6 stood for cash payments – Rs.42.8 paid for taxes and rent; Rs.56.6 for cash purchases of seed, fodder, and manure; Rs.19.5 for hired labour paid in cash; and Rs.15.7 went for miscellaneous items. The difference between gross "expenditure" of Rs.323.1 and cash expenditure of Rs.134.6 amounted to Rs.188.6. Of this, Rs.113.9

¹¹D.R. Gadgil, "Problems of Rural Life", *Annals of the American Academy of Political and Social Science*, Vol. 235 (May, 1944) pp. 85-90.

represented the “cost” of home-grown fodder, seed, and manure to which we have already referred on the “receipts” side; Rs.57.2 represented payments in kind to landlords, labourers, village artisans, etc. . . ; and the remaining Rs.17.3 comprised accounting entries for depreciation.

From this outline, we can see that three-quarters of the “receipts” did not come from outside the farm, but represented home-grown produce; that well more than half of the “expenditure” (Rs.171.1 out of the “actual” expenditure of Rs.305.7 – excluding accounting items) was again on home-grown products; and that, in effect, the average “farm income” of Rs.88 was made up of foodstuffs drawn and consumed in kind by the members of farm household.

So far as concerned the supply of labour, Gadgil has provided data to show that the households themselves supplied more than three-quarters of their labour needs. He rejected the view that family members of the “operator” had mobility to find employment elsewhere. Rather he asserted that the farm business must be considered the business of the family. “The chances of alternative employment are slight.”¹²

Gadgil did not seek to furnish data on “cash to run the farm” or on the burden of debt. The first of these, he asserted, was bound to be small and in any event difficult to estimate. Gadgil, I believe, does not deal with the problem of the debt in his Wai Taluka Survey; in his second study, he made an explicit and heroic assumption: “All farm business studied by us has been treated as debt-free”. Partly this was because it was not possible to obtain full information; also, he wrote, it was well-nigh impossible to separate the debt for production purposes from other debts of farmers.¹³ These farm surveys thus threw little light on sources of credit, capital and investment. Thus did he make it plain that, with cash expenses running at an average of Rs.134.6 per farm per year and cash receipts at Rs.93.4, these farms as businesses were running year after year at sizable cash losses. The difference, Gadgil has suggested, was made up from sources of income other than “farm business” – but these sources fell outside the purview of his study. From the farm business as such, Gadgil indicated, there was no hope, on the average, of obtaining remuneration for own family labour, nor was there any hope

¹²*Survey of Wai Taluka*, pp. 12-13.

¹³*Economic Effects of Irrigation*, op. cit., p. 69.

of earning interest on the capital invested.

With characteristics such as these, what sort of “businesses” are these farms? Gadgil would have us believe that they are businesses marked by strong elements of “subsistence” operation. Because of this, he wrote, he had included in “receipts” all private drawings in kind by the household, whereas in the U.S.A. and the U.K. “these are ordinarily neglected...”. Further, because of India’s “more self-contained agricultural economy”, he had included both under receipts and expenses the fodder, manure and seed produced by the farm and utilized within it. These juggling devices and other deviations from usual farm survey practice in the West only serve to turn our attention away from the fundamental question: Were the farms studied really “businesses”? Were they operated as “commercial enterprises”?

From Gadgil’s own description it would appear that these are peasant households which “sell” their services primarily to themselves and “buy” their products from themselves. They obtain on the average very little from any “factors market” and sell very little, on the average, to any “products market”. Thus they are almost completely insignificant as a link between the two types of markets. They ordinarily employ very little outside labour, and can usually obtain only severely limited amounts of credit or capital. Overwhelmingly, they are not “firms” or “entrepreneurs”, but “consumers”. Hence it is unsuitable and illegitimate to apply to them the economics of enterprise, the theory of the firm or the undertaker. They are basically not businesses, not enterprises, not undertakings, not establishments run for pay or profit. They should not be treated as such, nor should they be approached with business concepts or business terminology. Essentially they are peasant households which are trying to grow and to retain enough foodstuffs to sustain the family. When applied to these households the notions of wages for unpaid family labour and “net profits” of enterprise produce nothing but confusion.

Prof. W. Arthur Lewis made two important attempts to characterize the economic behaviour of peasant producers. The first¹⁴

¹⁴*The Manchester School of Social and Economic Studies*, Vol. XXII, May, 1954, pp. 139-191.

of these was in his article entitled, "Economic Development with Unlimited Supplies of Labour". The second was in his book *The Theory of Economic Growth*, published in 1935. The essence of Professor Lewis' argument is that the sector made up of peasants producing for home consumption – the "subsistence sector" – acts as a brake on all economic growth; it is the sector which usually responds least well to growth in other sectors. The wants of peasant producers in this sector are limited, he states, because their horizons are limited. There is very little specialization in the subsistence sector and there is little competition. The use of money has spread slowly and the price system has had limited influence. Even in our own day forty per cent of output in countries like India is not exchanged for money.¹⁵

Peasants in the subsistence sector, according to Lewis' presentation, do not use producible capital. They also lack technical knowledge. Output per head is low, and the marginal productivity of labour is negligible or negative. They do not save. When they have resources, they tend to buy land rather than invest in capital on the land. The sector as a whole tends to be stagnant, with no new wants emerging. There is likely to be a large labour surplus upon which other sectors may draw for purposes of development. These were among the principal themes of Professor Lewis' 1954 article; they were restated vigorously in his book, *The Theory of Economic Growth*. In that book, however, he has also made a number of other generalizations about peasant producers. He takes the position that peasant farmers almost everywhere are an acquisitive class, anxious to improve their material condition. He terms them responsive to innovations which benefit them. When properly organized, he asserts, they will gladly donate their labour freely for such beneficial works as building local roads, wells, schools, etc. He sees striking possibilities for dramatic results from agricultural extension and community development programmes. In this connection he cites the judgement of certain agricultural experts that yields per acre in India could be doubled by the application of techniques now known – such as improved seeds, fertilizers, pesticides, and better use of water resources.¹⁶

It is disconcerting to put side by side Professor Lewis' assertions about dead stagnation in the subsistence sector with the great

¹⁵*The Theory of Economic Growth*, pp. 29-31, 47 and 75.

¹⁶*The Theory of Economic Growth*, pp. 43, 59, 187-89 and 395.

expectations he simultaneously raises. It is still more disturbing to find him presenting two quite different positions on some of the crucial problems affecting production by peasant households, for example, on the relation between defective agrarian structures and low yields in agriculture. Thus at one place Professor Lewis writes:

The present institutional framework is in most underdeveloped countries (but not all) quite adequate for an enormous advance in productivity by means of the introduction of improved technology. Indeed, the best hope of raising the standard of living in most of these countries lies in the fact that the backwardness of their agricultural techniques make possible spectacular advances in production at relatively low cost.¹⁷

Later on, in the same book, however, Professor Lewis writes as follows on the same subject:

In a world in which farmers have been exploited for generations by landlords, moneylenders and traders, it is difficult for them to work up enthusiasm for new techniques, especially if they suspect that the main result may be to increase the takings of their oppressors. Land reform is therefore often a necessary prelude to successful agricultural extension. If the country's political leaders begin to take a real interest in the farmers' problems – which most often they do not – and show by their deeds as well as their words that they are out to help the farmers, then the farmers are likely to respond. Agricultural extension without the political changes and the political enthusiasm which it requires may just fall flat.¹⁸

Professor Lewis would seem to be in at least two minds on the problems of production by peasant households. In his hands general economics yields no coherent treatment of the subject. Instead, we are given a mass of descriptive and prescriptive material pertaining to entire underdeveloped economies, whole sectors, productive units, or, somewhat indiscriminately to all.

IV

Modern economics, in the hands of leading or general practitioners of the discipline, would not seem to have thrown much light on production by peasant households. This is a serious deficiency, since in so much of the contemporary world the basic economy is agricul-

¹⁷*Ibid.* p. 136.

¹⁸*Ibid.*, pp. 190-191

tural and these peasant households constitute the dominant form. Until we know more about how these households function, we must perforce be vague and unclear about the analysis of agricultural or subsistence "sectors"; and we will be without a foundation for understanding the operation of underdeveloped economics as a whole. A fresh effort to work out a systematic explanation of the economic behaviour of peasant households would seem, therefore, to be called for. In this brief article I have no intention of attempting so ambitious a task – a task which will probably require sustained work by many hands through a long period of time. I should like, however, to make a few remarks about some considerations that may be relevant to this field of inquiry.

The essential point to appreciate is that these peasant households cannot be fitted neatly into the categories with which the economist is used to working. The modern economist is normally called upon to deal with business units operating in markets. He tends naturally to treat peasant households also as firms or enterprises. This approach, for reasons we have indicated above, will not do. When the economist realises this, he is likely to swing to the other extreme and try to relegate these households to the category of pure subsistence units, possibly throwing in for good measure the epithet "primitive". But this approach is also unsuitable. Although these households are likely to be the principal consumers of their own products, they still may sell a significant fraction of their output; and they may also have a number of requirements which they satisfy by purchase in the market. In this situation the economist tends to look at them as mixed or transitional forms, households which are in the process of changing from pure subsistence units to business units, and which may there be called semi-subsistence units.¹⁹

At first glance terming these households "semi-subsistence" units might seem a reasonable, commonsense thing to do. By the same token, however, it might appear equally reasonable to call them "semi-market" or "semi-business" units. This brings out the essential difficulty. To term these households "semi-this" or "semi-that" draws attention away from what they actually are and focusses it either on what, supposedly, they might once have been, or on what they are

¹⁹Some economists have even taken the position that a critical index of growth in an underdeveloped area is the rapidity with which its economy is changing from a subsistence basis to a market-oriented basis.

thought likely to turn into, sooner or later.

In plain fact peasant households of the kind we have been discussing are anything but a mixed or transitional form. Rather they have been the dominant, representative type for a number of generations, possibly centuries, in vast areas of the world. They are likely to remain on the scene for a good few decades more, perhaps for many generations. They are entirely worthy of study in their own right, in their own terms, and for their own sake.

When approached in this way, the predominant economic feature of the ordinary peasant household would seem to be its extremely limited resources and the very narrow range of economic choice open to it. We can take it for granted that in many countries the typical peasant household has less than enough land. The first concern of the household must be to assure its subsistence by growing its own food. Conditions of soil, climate, water supply and long-engrained food habits make it virtually certain that year after year the household will grow the same food crop or the same combination of food crops. The techniques of production employed by the household are likely to be time-honoured ones relying on simple implements, limited amounts of animal power, and own-family labour.

Just how much of the main food crop will be retained by the household, and how much will be handed over or sold to others will depend on a number of factors. A tenant household will normally have to pay rent in cash or kind or both to the landowner. Households which are in debt, almost an invariable feature in many countries, will also have to make payments in cash or in kind to the creditor. In a country like India, peasant households try, wherever possible, to grow not only their own food but also a secondary crop from the proceeds of which they can make payments of rents, interest, taxes, etc. There are naturally a variety of other purposes for which the peasant at one time or another may need money, e.g., to provide for religious and family ceremonial expenses such as marriages, to make gifts to deities, to purchase draft animals, or to meet costs of educating children.

Even where the total foodgrain produced by the peasant household is enough to meet its need, the household nonetheless may have to part with a substantial share of the crop at the low prices prevailing right after the harvest. This may be because of pressure from (or standing arrangements with) creditors or on account of other pressing needs for cash. The village trader who takes over part of the peasant's crop may very well be the creditor to whom the peasant is indebted;

and it is often from this same village trader-cum-creditor that later in the year the peasant may have to re-purchase or borrow food-grains. Whether or not this set of relationships – so typical of village economies in countries like India – can be called production for the market is a nice question for economists to consider. There can be no doubt, however, that such relationships indicate the way in which the peasant is at the short end of the bargaining stick when confronted by the trader, the creditor or money-lender, and the landlord. In addition the peasant is faced with age-old problems of natural calamities, failure of rains, disease. As the functions of government expand in the second half of the twentieth century, more and more petty officials appear on the village scene, to help, guide, improve, or uplift the peasant. Yet, somehow or other, the ordinary peasant soon finds himself obliged to pay court to them, carry their luggage, give them or their servants some lodging, food or gratuities. To the outsider this may seem a minor matter, but for the peasant it all adds up, particularly if his family is also expanding and he already has more than enough mouths to feed at home.

The peasant household then is normally short of land and other resources, plagued by rent, debt, taxes, traders, natural calamities, and grasping flunkeys. In this context the peasant has to be very wary about shifting his cultivation from one crop to another; shifting from the fields of a bad landowner since the next one may be still worse; or incurring any fresh debts for the purpose of intensifying his cultivation when he does not see his way clear to servicing the debts he already has. The kind of innovation that most appeals to him is one the benefit of which is proved beyond question, yet costs little and yields speedy and substantial returns. Such innovations may come more than once in a lifetime, but they are normally few and far between. Ordinarily the peasant is so situated that he has to go on doing exactly what he has been doing. To refer to these peasants (*pace* Bauer and Yamey, p. 212) in terms of “economically efficient arrangements...and best combination of land, labour, capital and administrative ability”, is mostly to play with words.

Although the typical peasant household is not a business enterprise, it may very well do some selling and some buying. It is not primarily in the market orbit, but it is affected by price changes. In the sense of having a foot or toe there, it is in the business world, but is not of it.

In carrying on their production, the typical peasant householders are not working for what general economics calls “profits” or

“wages”²⁰ As we have explained above, the return which they are seeking is relatively crude and undifferentiated – primarily they simply want, after meeting their unavoidable expenses and obligations, to have enough of their own produce left over to feed themselves. This kind of return to own-family labour pertains to a type of economic organization which is qualitatively different from the modern business enterprise. The effort to drag in from an altogether different context the categories of wages of labour and profits of enterprise and impose them on the productive operations of these households is doomed to failure.²¹

There are also grounds for doubting whether two of the other principal categories of general economics, “rent” and “interest”, are applicable in their standard form to production by peasant households. As restated by Professor Gadgil in the article cited above,²² the traditional theory of agricultural rent holds that the returns to tenants for their labour and capital will tend to be the same on all lands. Given a series of parcels of land which, other things being equal, differ primarily in fertility, the variation in fertility among them should be clearly exhibited by the difference in rents – higher rents for the better land, lower rents for the poor land. The available statistical data, Professor Gadgil argued, entirely failed to show any tendency for landlords to obtain a progressively increasing share on the more productive lands. He has further pointed to the character of the crop-sharing system widely prevalent in India. In this system the produce in given tracts or regions from lands of widely differing fertility is divided in a fixed proportion between landlords and tenants. A very common arrangement which, we might note, persists to the present day, is for the gross produce to be divided 50-50. “The prevalence of crop-sharing”, Professor Gadgil wrote, “would indicate that the tenant is able to obtain a larger return for his labour and

²⁰It may be worth repeating here that I am referring to *production* by peasant households which have land on an ownership, tenancy or crop-sharing basis. I am not referring here to landless labour households or to households of agricultural labourers having only insignificant pieces of land.

²¹According to C. von Dietze’s article, “Peasantry”, in the *Encyclopaedia of Social Science*, Vol. XII, p. 52, this point was made in 1913 by A. Chayanov. Chayanov’s book was translated from Russian into German by F. Schlömer, under the title *Theorie der bauerlichen Wirtschaft* (Berlin, 1923). It would be interesting to know how much further continental writers have since carried the discussion.

²²D.R. Gadgil, “A Note on Agricultural Rent,” cited above.

capital on the superior than on the inferior land.” Writing nearly twenty years ago, Professor Gadgil called for a reconsideration of the relevance of the theory of rent to peasant agriculture in countries like India. Such a fresh approach is by now long overdue.

So far as concerns interest in peasant agriculture, Professor K.N. Raj of the Delhi School of Economics has in hand a thorough re-examination of prevailing doctrines. If I understand his argument correctly, in rural India it is not the money rate of interest which (as in industrialized countries) tends to “rule the roost” but the rate of interest on and in commodities, particularly foodgrains. Thus when in India the peasant borrows grains and repays it within the same year, he may have to hand back a quantity larger by 30 per cent than the quantity originally borrowed. In peasant economies it is the rate of interest in kind which tends to be dominant, i.e., which pulls other rates of interest towards its level. The theory of interest as given in general economics clearly does not fit such situations.

Production by the peasant households we have been considering cannot be treated in terms of the theory of enterprise (or firm) or of the usual “factor returns” of general economics: profits, wages, rent and interest. It is no wonder that these households have proved so troublesome to economists and that general economics has had such difficulty in encompassing them.

The time has clearly come for an overall reconsideration of the kinds of assumptions and categories required to analyse these households both as individual productive units and in the aggregate. In such a reconsideration a wide-ranging view will be essential. In large areas of the contemporary world there is an interplay going on between a whole series of forces making for stagnation and another set of factors making for change and development.²³

As many economists have emphasized, the forces at work are more than economic. In trying to impose a pattern on them, or eventually

²³Referring to India, I have called the set of forces operating to hold down agricultural production a “built-in depressor” See the first chapter of my book, *The Agrarian Prospect in India: Five Lectures on Land Reform*, Delhi School of Economics, University Press, 1956. Statistical data illustrating the tendency to stagnation in India’s agricultural output during the twentieth century are given in my study, prepared with the assistance of George Blyn, “Longterm Trends in Output in India”. This was published in the volume edited by Simon Kuznets, J.J. Spengler and W.E. Moore, *Economic Growth in Brazil, India, Japan*; Duke University Press, Durham, North Carolina, 1955; see particularly pp. 126-128.

work out a theory, economists will have to grapple directly with the baffling but crucial problem of defining and demonstrating the nature of the interrelationships between the broad institutional framework and both the level and the distribution of output. It is to be hoped that economists from underdeveloped countries familiar with their own rural economic life will take the leading part in this important and significant work.

15. Peasant Economy as a Category in Economic History*

Peasant economies, we suggest, have been and still are a widespread form of organization of human society.¹ Because of their historical persistence, peasant economies would appear to be well worthy of study in their own right and in their own terms. When we search the literature of agrarian history for discussions of peasant economies we find them scattered among such diverse categories as “subsistence”, “feudal”, or “oriental”. In discussions of the so-called “under-developed” areas, peasant economies are frequently dealt with as conglomerations of “small-scale” units or “minifundia”. Or they may be relegated to an intermediate or transition stage between “primitive” and “modern” (or “developed”) economies. By contrast, we believe there is hope of rich analytical yield if we can find a way of treating “peasant economies” as a distinctive group.

For this purpose, it is essential to define peasant economy as a system of production and to distinguish it from other historical systems such as slavery, capitalism and socialism. We shall accordingly set out a tentative definition of peasant economy, and then illustrate it by several examples. These will show some of the varied forms which peasant economies have assumed in different continents in modern times. Beneath the apparent variety we shall find in each case a common core.

Before we specify the determining characteristics of peasant economy, we should make our level of analysis absolutely plain. We

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¹Many writers have utilized the term peasant economy to describe the functioning of *individual* household units. We prefer to reserve the term for entire economies having certain characteristics which we shall specify in the course of this paper.

are dealing here with the features of the whole economy of sizable countries. Our units will be at the scale of kingdoms or empires (Japan, Tsarist Russia, China), nations (Mexico), and grand imperial possessions (India, Indonesia).

We exclude from our coverage little possessions, tiny states, and sub-regions of larger states. Nor do we deal with peasant sectors of economies which, taken as a whole, are not peasant economies. We do *not* exclude small nations. Quite a number of them, e.g., Ceylon, Paraguay, Syria, Sardinia, Ireland and Scotland before the Union, have had peasant economies, and a few still do today. But in the present paper we have thought it would be clearer if we presented as our examples only countries of a substantial size.

We use five criteria for determining whether the total economy of a given country, nation, or large colonial area is to be taken as a peasant economy. All five of these must be satisfied before an entire economy of a given country can be termed peasant. Our first two criteria relate to production and working population. They are intended to help distinguish peasant economies from industrialized economies, whether capitalist or socialist. In a peasant economy, roughly half of the total production must be agricultural; and more than half of the working population must be engaged in agriculture. In a word, we are saying that, to be termed "peasant", an economy must be primarily agricultural. In a capitalist or a socialist state which has been industrialized, there may remain thousands or even millions of peasants, but we would no longer apply the term "peasant" to such an economy, *taken as a whole*. The question would rather become one of the "peasant" sector in a non-peasant economy; the setting would then be different, and a different level of analysis would be required.

Our third criterion requires the existence of a state power and a ruling hierarchy of a particular kind: one in which the "kinship" or "clan" order has weakened sufficiently to give way to a "territorial State". I am not saying that kinship or kin ties have disappeared, for that would be absurd. Rather I require the passage, in the sense of Moret on Egypt, *From Tribe to Empire*,² or, in the sense of ancient Greece, the formation of the territorial state.³ The question of peasant economies in "feudal" regimes is delicate. So are practically all

²A. Moret, *From Tribe to Empire* (London, 1926).

³The area of the ancient Greek states, however, was so small that most of them would have to be excluded from our consideration because of failure to meet our initial precondition of sufficient size.

questions involving that ticklish word "feudalism"! If I were to be forced to specify now what I have in mind, I would say that I am concerned with the economies of the feudal monarchical states of western Europe in the late 12th and 13th centuries, rather than with those of the disintegrated and practically non-urban regimes in the 9th and 10th centuries. Here, however, our fourth criterion also comes into play, the rural-urban separation.

We presuppose, for peasant economies, the presence of towns, and a division or break between these towns and the countryside that is simultaneously political, economic, social and cultural. In practice, or belief, or both, the peasants are held to be a lesser or "subject" order, existing to be exploited by all concerned. In social terms, this is considered to be the "natural order". We do not consider an economy to be "peasant" unless it contains a significant number of towns with a definite pattern of urban life, quite different from that of the countryside.⁴ Simply as a rough quantitative indication, we can say that the total urban population should amount to at least half a million persons; or, alternatively, that at least five per cent of the entire population of a given country should be resident in towns. By insisting that a peasant economy must have towns, we wish to do more than establish the mere fact that the economy is not purely agricultural. We posit a fairly marked degree of division of labour in society, and a distinct urban concentration of artisans, or other industrial and intellectual workers of various skills. By the same token we presume that agriculture is sufficiently developed to feed not only the peasants and the governing hierarchies, but also the townspeople.

Our fifth and final criterion, the most fundamental, is that of the unit of production. In our concept of peasant economy the typical and most representative units of production are the peasant family households. We define a peasant family household as a socio-

⁴There is much literature on the separation between city and country. For the 18th century see Sir James Steuart, *An Inquiry into the Principles of Political Economy*, Vol. I (London, 1767). Marx considered that the entire economic history of human society could be summed up in the movement of the antithesis between town and country. See *Capital*, Vol. I, Part IV. (*Capital*, Vol. I, edited by Dona Torr, London, 1939, p. 345; For the German original, see the Volksausgabe, Moscow, 1932. Vol. I, p. 369). Robert Redfield was one of the 20th century writers much interested in this theme, particularly in cultural terms. See his study *Peasant Society and Culture* (Chicago 1956). In an interesting article, Lloyd A. Fallers has carried forward Redfield's line of work: "Are African Cultivators to be considered 'Peasants'?" *Current Anthropology* (Chicago, April 1961), Vol. II, pp. 108-110.

economic unit which grows crops primarily by the physical efforts of the members of the family. The principal activity of the peasant households is the cultivation of their own lands, strips or allotments. The households may also engage in other activities: for example, in handicrafts, processing, or even petty trade. Some members of the family may work, perhaps be forced to work, outside the household from time to time. The household may include one or more slaves, domestic servants or hired hands. But the total contribution of these non-family members to actual crop production will be much less than that of the family members.

In a peasant economy half or more of all crops grown will be produced by such peasant households, relying mainly on their own family labour. Alongside of the peasant producers there may exist larger units: the landlord's demesne or home farm tilled by labour exacted from the peasants, the hacienda or estate on which the peasants may be employed for part of the year, the capitalist farm in which the bulk of the work is done by free hired labourers. But if any of these is the characteristic economic unit dominating the countryside, and accounting for the greater share of the crop output, then we are not dealing with a peasant economy. We also exclude specifically all economies in which the most representative agricultural unit is the Roman-style slave villa or the sugar or cotton-growing slave plantation of modern times.

We may state categorically that in a peasant economy the peasant family members are not slaves. But we shall not try to specify whether the peasants are serfs, semi-free or free. There are, it hardly needs saying, other contexts in which this question is of the highest importance. For the definition of peasant economy, however, the distinction is unnecessary, and the effort to make it likely to prove analytically sterile. We have already indicated that in peasant economies the peasantry as a group is subject and exists to be exploited by others. The peasant may very well have to work one or more days of the week for the baron or the lord of the manor. He may also be obliged to make payments or presents to landlords, functionaries, aristocrats, or other important persons. At the same time, from the point of view of production, the peasant households constitute definite – one is almost tempted to say “independent” – entities. Because of this duality in their position, these peasantries inevitably straddle the line between free and unfree. In a sense the peasant in such economies is simultaneously subject and master.

Within a particular country at a particular time, many varieties or blends of freedom and unfreedom may co-exist. It is usually difficult to say with any precision what proportion of the peasantry are serfs and what proportion are not serfs. With the passage of time, the proportions may change. In some areas, the working populations have oscillated over the centuries through most of the range from freedom to serfdom and back again.

In a peasant economy the first concern of the productive units is to grow food crops to feed themselves. But this cannot be their sole concern. By definition, they live in a State and are linked with urban areas. They must willy-nilly sustain the State, the towns, the local lords. Hence, in one way or another, they must hand over, surrender, or sell to others part of their food crops. Although the conditions of exchange are such that the peasants usually give more than they get, they may obtain in return a bit of iron, some salt, spices, perhaps fancy cloth for a marriage.

We should be careful not to slip into the trap of imagining a "pure" type of peasant household which consumes practically everything it produces and practically nothing else, as distinct from an "impure" type which produces for a market as well as for its own immediate needs. The latter is historically more common and more characteristic. In point of fact, the household units in peasant economies frequently dramatize their dual focus by growing two crops. The first is the cereal essential to their own sustenance and that of society as a whole; the second is much more likely to be a non-foodgrain (perhaps a fruit, fibre, or oilseed) produced precisely with an eye to barter, sale or exchange of some sort. It is as habitual with peasants in many areas to grow two crops as to walk on two feet.

We are sure to go astray if we try to conceive of peasant economies as exclusively "subsistence" oriented and to suspect capitalism wherever the peasants show evidence of being "market" oriented. It is much sounder to take it for granted, as a starting point, that for ages peasant economies have had a double orientation toward both. In this way, much fruitless discussion about the nature of so-called "subsistence" economies can be avoided.

We might say that in a peasant economy roughly half or more of all agricultural production is consumed by the peasant households themselves, rather than being "marketed". We do not, however, include as "marketed" produce those foodgrains handed over around harvest time by indebted or dependent peasant families to the local

landlords, merchants, or moneylenders, and subsequently doled back before the next harvest, generally on unfavourable terms, to the same peasant families. Such foodgrains, in our view, have not passed through an organized market process. They have not moved on, via genuine commerce, for consumption by parties other than the original producers. Instead, they have remained in the village where they were grown and have returned to source, to the original producers. In effect, the productive unit is the household, and the consumption unit is the same peasant family household. This is certainly not the indirect process, mediated by a market, which is characteristic of capitalist agriculture. Instead, in a peasant economy, the movement of foodgrains inside the village away from the producing family and back again to that same family is tied in with long-established modes of economic domination and exploitation. When such relationships are typical at the village level, we have an almost sure sign, in an agricultural economy, that we are dealing with a peasant rather than capitalistic structure.

To summarise, we have defined peasant economies in terms of the predominance of agriculture, both in total product and in the working population. We have required the existence of a territorial state, and a separation between town and country. We have indicated that the characteristic unit of production must be the peasant family household with a double orientation, that is, both to its own sustenance and to the greater world beyond the village. We must emphasize that no single one of these elements will suffice to determine whether or not a given economy is indeed a peasant economy. All these features must be found together and must relate to the economy of a whole country.

II

When we look for examples of peasant economy, in terms of the set of criteria just listed, we find many different kinds scattered throughout recorded history and in all continents except Australia. We shall discuss, in the present paper, only six examples, all within the 200 years since 1750. There are several reasons for limiting ourselves to the period of the Industrial Revolution and its aftermath. It is, in the first place, the period with which I am most familiar. The modern age is the one for which we have the best documentation, particularly in terms of quantitative materials. More important, under the impact of the expanding industrial system, the 200-odd years since 1750 have

witnessed the most fundamental transformations in peasant economy known in history. We ourselves are living witnesses of this process of transformation, which is still continuing; -in fact, it is accelerating before our eyes. We are in a position to study at first hand both the nature of peasant economies and the ways in which they resist or yield to change.

As illustrations of cases of peasant economy in this era of change, I propose to characterize in a few words the salient features of the economic structure of six different countries. Any such characterization in so limited space must necessarily appear incomplete and somewhat impressionistic. For this I apologize in advance. My purpose is solely to draw your attention to a few of the chief aspects of each case. My examples are Tsarist Russia, Indonesia, Mexico, India, Japan and China.

Tsarist Russia

Among the peasant economies of the 19th century that of Tsarist Russia had the richest and most complicated history, and has left us with the largest literature. As a group, Russian scholars carried the analysis of peasant economies further than anyone else, and were perhaps the first to formulate a theory of peasant economy.⁵

In the century and a half before 1917, the imperial structure of Tsarist Russia was expanding outwardly into Siberia, while inwardly it was decaying at home. In terms of peasant economy, the most distinctive feature of the countryside in the late Tsarist era was the close interdependence of landlord estates, *mir* (village community) lands and rights, and small peasant holdings. In the centuries before the emancipation of the serfs in 1861, the bondage of the peasantry guaranteed the landlords the labour supply needed for their estates. The emancipation enabled cultivating peasant families to get more land of their own, provided they could raise oppressive redemption payments. The size and importance of the old landlord estates was

⁵The leading scholar appears to have been A.V. Chayanov, a number of whose studies were translated into German in the 1920s. Of these, one of the most fundamental was *Die Lehre von der bäuerlichen Wirtschaft*, translated by F. Schlömer and published in Berlin in 1923. A revised, enlarged edition of Chayanov's work appeared in Moscow in 1925 under the title, *Organizatsiya krest'yanskogo khozyaistva*. (Chayanov's book has just been translated into English; this translation is to be published in 1964.)

much reduced. By the late 19th century individual peasant tenures were gradually increasing in importance.

In the decades before World War I, a growing proportion of the peasantry devoted themselves to producing for the market with the aid of regularly hired agricultural labourers. In the same period there was a rapid expansion of railways, cities, commerce, and factory production on capitalistic lines. The significance of the growth of capitalism in city and country became a hotly debated national issue. Criteria were advanced for distinguishing peasant production from capitalistic agriculture. Many of the questions taken up in the present paper were posed at that time, in one form or another, in the works of Chernyshevsky, Danielson (Nicolai-on), Hourwich, Plekhanov, Kossinsky, Lenin, Chayanov, and others.

In the decades after the revolution of 1917, Russia ceased to be a peasant economy, emerging instead under socialism as both urbanized and industrialized.

Indonesia

Under the Dutch, Indonesia constituted one of the oldest and most striking examples of colonial rule in both of its major forms, "direct" and "indirect". For some decades in the middle of the 19th century, the peasants were compelled, under the so-called "culture system", to grow certain crops which the Dutch wanted to export. After that policy was given up in 1870, the Dutch energetically developed large plantations for the growth of export crops. For their labour supply for these plantations, the Dutch drew on the peasants from the bordering villages. There emerged, particularly in Java and Sumatra, a pattern of large plantations, village communities with group rights in land, and small peasants among whom, in the course of time, the sentiment for individual family holdings deepened.

Although the parallel must not be pressed unduly, the pattern of large estates and their labour supply, village community rights in land, and ascendant feeling for family land, bears some resemblance to late Tsarist Russia. The missing element was *indigenous* capitalism which, in a colonial setting, was practically negligible, both in city and country. As of 1949, when the Dutch relinquished control, Indonesia had very little modern industry and a quite limited urban population – barely enough, in fact, to qualify under our criteria as a peasant economy.

Mexico

Striking similarities between the peasant economies of Java and Mexico have already been observed and discussed in an important article by Eric Wolf.⁶ In Mexico, during the century after the end of Spanish rule in 1823, we find a pattern of large estates (haciendas), unfree labour supply (peonage), weakening village community rights in land, and a very slow growth of individual family holdings.

A great part of Mexican history in the twentieth century turns on the savage struggle of the peasants for land and for resources with which to cultivate it. The revolutionaries, especially those led by Zapata, at first demanded and obtained, in principle, the restoration of village commons which had been seized by the great landholders. In practice, however, very little land was handed back to the villages under restoration proceedings. By 1915 the revolutionary programme called for taking from the great estates land which had not previously been held by the villages, and endowing the peasantry with it. This endowment policy was implemented so vigorously under President Cardenas in the 1930s, that eventually more than 30 per cent of the villagers in Mexico received grants of land. Tens of millions of hectares were transferred either to individual small-holders or to communities (*ejidos*).

Once set up, however, the *ejidos* failed to fulfil the high hopes placed in them. Much of the land turned over to the peasantry was poor in quality and in water supply. The amount of agricultural credit supplied by the Government through the Ejido Bank has been grossly inadequate. Moreover, the funds tended to be directed toward the good risks among the peasants, that is, the peasants with the most fertile land, preferably irrigated. Among the less fortunate peasantry some have leased their lands to the better-off and gone to work for them as hired agricultural labourers. Meanwhile, there has arisen, with the aid of private credit, a new large-scale agriculture utilizing modern techniques to produce profitable export crops.

During the present century, industry has expanded rapidly in certain parts of the country, thanks in large part to substantial foreign

⁶"Closed Corporate Peasant Communities in Meso-America and Central Java," *Southwestern Journal of Anthropology*, Spring, 1957, Vol. 13, pp. 1-18. See also Wolf's suggestive comparisons in his article "Aspects of Group Relations in a Complex Society: Mexico," *American Anthropologist*, December, 1956, Vol. 58, No 6, pp. 1065-78.

investment. Hundreds of thousands of peasants have left their villages to find work in the rapidly growing cities. In recent decades well more than half of the national product has been non-agricultural; and now half of the country's population is urban. Mexico has left her phase of peasant economy (as herein defined) well behind.

India

Up to 1947, India, like Indonesia, was a colonial empire in which both "direct" and "indirect" rule prevailed. In India, as compared with Indonesia, the plantations and other large units of cultivation occupied a very minor position in the economy as a whole. There were great landlords in India, some holding hundreds of villages. But cultivation almost everywhere was by peasant families, most of them working very small amounts of land.

Caste and untouchability are distinctive characteristics of India. One of the principal economic functions of caste in the countryside has been to emphasize the inferiority of the lower castes who have for ages served their superiors as a cheap, dependent supply of agricultural labour. Few observers would be so rash as to say that caste has stopped serving that function in the villages of contemporary India.

During their regime, the British developed in India one of the half-dozen largest railway systems in the world. Along with this appeared many other elements of what, in economists' jargon, is called the "infra-structure" of development. Around Calcutta, Scottish houses developed a jute manufacturing industry, while in Bombay and Ahmedabad Indian entrepreneurs built up several hundred cotton textile mills. Since India attained independence in 1947, the government has thrown its weight behind the rapid development of a comprehensive range of heavy industries. In the 1950s, agriculture, principally carried on by small peasant families, still accounted for roughly half of the total national product. India is today still a peasant economy.

Japan

Less than 50 years after the Meiji Restoration of 1868, Japan had ceased to be a peasant economy. There is by now a vast literature assessing this apparently abrupt and dramatic revolution. The leading

authorities today agree that the foundations for this genuine and rapid economic transformation antedate the 1868 restoration and go back, particularly in agriculture, far into the preceding period, the Tokugawa era.⁷

It was in the Tokugawa period, roughly from the seventeenth to nineteenth centuries, that the Japanese countryside took on the pattern of cultivation in small units by individual peasant families which has persisted to the present. Taxes were collected in kind from the villages for the great feudal overlords and amounted at times to as much as 60 per cent of the crop. The warrior class, for the most part, had been gathered up into the castle towns where they lived on rice stipends. In the relatively few large holdings which remained, cultivation by serfs (*nago*) and servants, gradually gave way to tenancy. The 1720 reform, which permitted the mortgaging of land, was followed by the emergence of a group of moneylender-landlords (rich peasants, town merchants, petty rural capitalists, village headmen) whose tenants were often the original cultivating owners.

After the Meiji Restoration of 1868, the peasant proprietors were freed from their feudal obligations and confirmed in the ownership of the land they cultivated. The old rice levies were supplanted by a fixed annual tax in money, payable to the State. At first a heavy burden, these taxes declined progressively in real terms with the long-run rise in the prices of agricultural products.

On the other hand, the need to raise cash to pay the taxes placed the small peasant – always at the margin of his resources – in the position of having to sell his crop at the most unfavourable moment, immediately after the harvest. The same situation worked to the advantage of the richer peasants who sometimes acted as rice brokers.

For tenants, the Meiji reforms brought no benefits. They still had to pay rents in kind and at the rate of about half of an average crop. The rise in the price of rice did not help them, since they marketed so little. In the early 1880s, about one-third of all arable land was worked under tenancy; by the time of World War I, the fraction had increased to nearly one-half.

The average area worked by Japanese peasants (i.e., the total of the several scattered strips cultivated by the household) was about one hectare (2.47 acres) around 1868, and remained, for most households,

⁷See, for example, R.P. Dore, *Land Reform in Japan* (London, 1959), Ch. I, and T.C. Smith, *The Agrarian Origins of Modern Japan* (Stanford, 1959).

roughly the same right up to 1918. In the fifty years after 1868, the total output of rice in Japan nearly doubled, partly because more land was brought under cultivation, but mostly because of an increase in output per acre of the order of 50 per cent. During this period, population increased by roughly 60 per cent. Nonetheless, the level of living went up.

The story of the fostering of modern industry by the Meiji regime is too well known to need summary here. One of its important results for the countryside was that the natural increase of rural population was siphoned off by the towns and cities. Thus the size of the agricultural population of Japan remained roughly the same (around five and one-half million households) from 1868 to 1918. We must also note that the agricultural households themselves engaged increasingly in non-agricultural side activities, such as handicrafts and other rural industries. Whereas less than one-quarter of the peasant households had such activities in 1884, more than one-third were so recorded by 1919.

The decline in the relative position of agriculture in modern Japan can be indicated in three ways. First, the proportion of the population living in villages, usually defined for Japan as places with less than 10,000 inhabitants: this percentage was put at 87 per cent in 1888, then at 68 per cent in 1918, and fell to 50 per cent in 1940. Our second indicator is the proportion of the total working force returned as in agriculture. According to Professor Ohkawa, one of Japan's foremost authorities, this proportion stood at 76 around 1880, at 59 around 1915, and at 44 around 1940. Lastly, the percentage contribution of agriculture to total national income: again following Professor Ohkawa, this stood at 64 per cent around 1880, dropped sharply to 36 per cent around 1915, and fell to only 17 per cent around 1940. In terms of our first criterion of peasant economy, contribution of agriculture to total national production, Japan, by the eve of World War I, had unmistakably stopped being a peasant economy.⁸

⁸The data of Professor Ohkawa are taken from the comprehensive summary article which he and Henry Rosovsky prepared under the title, "The Role of Agriculture in Modern Japanese Economic Development." This appeared in *Economic Development and Cultural Change* (University of Chicago, October 1960), Vol. IX, No. 1, Part III, pp. 43-67. This issue of *Economic Development and Cultural Change* was a special number devoted to the topic, "City and Village in Japan"; and contains many other relevant contributions.

China

As in India and Japan, the agriculture of China for several centuries before 1950 had been the *petite culture*. Nearly all crops were grown by families holding roughly on the average about one hectare (somewhat more in the wheat areas of the north, somewhat less in the rice areas of the south). These holdings were generally made up of tiny, uneven, scattered patches. Family members themselves did the farm labour; only a very small percentage of the cultivators, the best-off ones with the most land, used much hired labour.

Before the Revolution of 1911 there was much tenancy in China; and, as the century advanced, more peasants had to give up the ownership of part or all of their land. By the 1930s, half, or more than half, of the Chinese peasants were tenants or petty owners-cum-tenants. Rents generally were paid in kind and amounted to 50 or 60 per cent of the crop. Paying such heavy rents on their tiny holdings, the Chinese peasantry could not make do from the land alone. For most of them, unfortunately, there was insufficient alternative work.

The peasant handicrafts, which had traditionally offered supplementary employment, weakened before the competition of machine-made goods from Japan and the West. The development of modern cities was very limited and entirely inadequate to drain off (as in Japan) population from the countryside. Instead, about 70 per cent of the population continued to work in agriculture.

The difficulties of the peasantry were compounded by multiple exactions from landlords, warlords, usurers, and petty government officials. They suffered further in the course of wars, invasions, famines, civil war and revolution.

In the years since 1950 the Peking regime has exerted tremendous efforts to transform this peasant economy. In the cities there has been an immense development of modern industry. In the countryside the vast programme of land reform began by taking away the properties of the landlords and redistributing the land in small bits to the peasants. This has been followed by a series of efforts to encourage or to impose large-scale cultivation: mutual aid in the form of work teams, village cooperatives, collective farming, and the establishment of very large rural communes.

We are not in a position to assess the extent to which these programmes have reduced the importance of peasant family cultivation in Chinese agriculture. Nor do we know whether

agriculture contributes half or more of the total national product. It is hard to say with any assurance whether or not China is still a peasant economy.

Since our six examples of peasant economy have been drawn from the modern world, we have been more explicit with regard to those criteria separating them from industrial economies than to those separating them from slave or "tribal" systems. We have, in effect, dealt only with peasant economies in their "high" or "late" phase. Nonetheless, we have seen that conditions differed in several important respects, which may be worth listing:

- indigenous or colonial rule;
- small-scale cultivation only; or small-scale juxtaposed with large-scale cultivation and, if the latter, the arrangements for labour supply on the large-scale units;
- individual family holdings of land only; or individual family holdings in the context of larger group holdings or village community rights in land;
- hierarchy of peasantry at the village level; existence and social role of a class of agricultural labourers;
- urbanization and industrialization as factors in reducing the relative importance of the peasantry in the economy taken as a whole, and in leading to the transformation of peasant production.

We might say we have sketched in a preliminary way cases of countries at the exit, or seeking the exit, from peasant economy. It would, of course, be possible and desirable to take up cases of entrance into peasant economy. In the largest sense, the study of peasant economies should encompass the whole process of their appearance, the changes they undergo through time, and the ways in which they become – or fail to become! – transformed into modern industrial economies.

III

It may be of interest to situate peasant economy, as we have defined it, in relation to Karl Marx's well-known modes of production. Our peasant economies include societies falling under both Marx's *feudal* mode of production and his "Asiatic Societies". In addition, they take in those periods of history which he characterized as marked by small peasant agriculture and which he treated as transitions from one main mode of production to another.

We believe that our broader grouping, peasant economy, is justified

analytically in terms of the common characteristics which we have just discussed and illustrated. It would, of course, be possible to extend the term "feudal" (with or without the prefixes "semi-", "proto-", and "pseudo-") to cover this whole range, but that would be unfortunate. The term feudalism originated in western Europe and carries with it a set of specific connotations. We cannot help but be reminded of the feudal lord, the vassal, the fief, the feudal contract, the manor, and the serf. This full complex of phenomena, however, occurs only in a small number of centuries in quite confined areas of extreme western Europe and Japan. Peasant economies, by contrast, existed long before feudalism, alongside of feudalism, and long after it. They persist in our contemporary world. No matter how the content of the term is thinned out, feudalism cannot serve to cover a historical canvas stretching eastward from the Caribbean to the China Seas.

From our perspective, European feudalism of the high Middle Ages may be seen as embodying a particular form of peasant economy. Nothing is gained by trying to view *all* peasant economies as variations of that one rather special form. The time has arrived to treat European experience in categories derived from world history, rather than to squeeze world history into western European categories.

16. A Post-Marxian Theory of Peasant Economy: The School of A.V. Chayanov*

Most of those who are today seeking to understand the economic behaviour of the peasantry seem to be unaware that they are traversing much the same ground trod from the 1860's onward by several generations of Russian economists. The problems which are today plaguing economists in countries like Brazil, Mexico, Turkey, Nigeria, India and Indonesia bear striking similarities to those which were the order of the day in Russia from the emancipation of the serfs in 1861 right down to the collectivization of agriculture at the end of the 1920's, to wit:

How to transform traditional rural society so as to overcome the misery, squalor, and illiteracy of the peasantry;
How to get the peasants to modernize their agriculture, especially their farming technique;
How to carry out this transformation and modernization so as to permit – indeed, to facilitate – the development of the entire national economy.

One of the first methods which young Russian idealists tried for dealing with these problems was direct action. Hundreds upon hundreds of college students, doctors, nurses, university teachers – including economists and statisticians – quit their urban life and attempted to “go to the people”. Establishing themselves in villages, they tried to be of use to the peasantry, to get them into motion; revolutionaries among these idealists preached the virtues of socialism. The police smoked them out and rounded them up, sometimes tipped off by the peasants themselves, suspicious of outsiders from other orders of society.

**The Economic Weekly*, Annual Number, February 1965. This article was subsequently published as “Chayanov's Concept of Peasant Economy” in A.V. Chayanov. *The Theory of Peasant Economy*, edited by Daniel Thorner, Basile Kerblay and R.E.F. Smith (Homewood, Illinois, 1966).

CHASTENED INTELLECTUALS

Chastened by their experiences, many of these action-oriented intellectuals deemed it wise, before undertaking further adventures in rural philanthropy, to obtain a more precise knowledge of village realities. Scores of them offered their services when the new provincial and district assemblies, the *zemstvos* – set up to help implement the land reforms of 1861 – launched in the 1870's a vast programme of economic and statistical investigations into peasant economic problems. It would be difficult to exaggerate the value of these field inquiries, which continued through four decades right down to World War I. In sheer bulk, they add up to more than 4,000 volumes. These constitute perhaps the most ample single source of data we have on the peasant economy of any country in modern times.

More significant than the quantity is the quality of these data. From the outset the field investigators included some of the ablest spirits of the day. Sympathetic to the peasantry and anxious to gain insight into their problems, they were determined to carry out their inquiries with utmost thoroughness. In presenting their results they took great pains to choose suitable categories and to design statistical tables so as to bring out clearly the basic relations among the various economic and social groups in the villages. Some of their reports were so striking that the government in 1888 passed a law forbidding any further inquiries into landlord-peasant relations, but nonetheless the work went on.

RICH ANALYTICAL LITERATURE

In the decades from 1880 onward Russia's leading economists, statisticians, sociologists and agricultural experts assessed, analysed, and fought over the materials furnished by the successive *zemstvo* inquiries. Their articles and books provide the richest analytical literature we have on the peasant economy of any country in the period since the Industrial Revolution. Among the Russian scholars who participated in the debate over the *zemstvo* statistics, Kablukov, Kosinskii, Chelintsev, Makarov and Studenskii stand out for their attempts to formulate a theory of peasant economy. Alexander Vassilevich Chayanov, from 1919 to 1930 the leading Russian authority on the economics of agriculture, synthesized the theoretical ideas of his predecessors and contemporaries, and developed them

along original lines. Translations into English of two studies by Chayanov form the core of the volume to be published by the American Economic Association in their Foreign Translation series.

The first and by far the larger of these works is Chayanov's masterpiece, *Organizatsiya Krestyanskogo Khozyaistva*, the title of which may be rendered in English as "Peasant Farm Organization". It provides a theory of peasant behaviour at the level of the individual family farm, i.e., at the "micro" level. The second, much shorter study – *Zur Frage einer Theorie der nichtkapitalistische Wirtschaftssysteme*,¹ which may be translated as "On the Theory of Non-Capitalistic Economic Systems" – sets forth the proposition that at the national or "macro" level, peasant economy ought to be treated as an economic system in its own right, as a non-capitalistic system of national economy. The brief remarks which follow will be concerned chiefly with Chayanov's theory of the peasant farm, his "micro" theory, which Constantin von Dietze has termed the most noteworthy creative synthesis so far achieved in this field, down to the present day.²

CHAYANOV'S THEORY OF THE PEASANT FARM

The sure and certain way to misunderstand the peasant family farm, Chayanov held, was to view it as a business, that is to say, an enterprise of a capitalistic sort. To him the essential characteristic of business firms or capitalistic enterprises was that they operated with hired workers in order to earn profits. By contrast, peasant family farms, as Chayanov defined them, employed no hired wage labour, none whatsoever. His family farms³ were pure, in the sense that they depended solely upon the work of their own family members.

Chayanov's definition of the family farm may surprise us by its narrowness as compared with the much wider usage of the term in recent decades. Present-day economists familiar with model-building might assume that for his purpose Chayanov framed a special model

¹*Archiv für Sozialwissenschaft und Sozialpolitik*, (Heidelberg), Band 51 (1924), Heft 3, pp. 577-613.

²C.V. Dietze, "Peasantry", in "Encyclopedia of the Social Sciences", Vol. XII, (1934), p. 52; and personal communication from Professor von Dietze, Summer 1964.

³The term "family farm" is sometimes even used for capitalistic enterprises producing essentially for export, so long as these are family operated.

or ideal type. In point of fact Chayanov considered his category a real one drawn from life. He contended that 90 per cent or more of the farms in Russia in the first quarter of the twentieth century had no hired labourers, that they were family farms in the full sense of his definition. In so far as his contention was correct, his model was far from being "ideal"; quite the contrary, it stood for the most typical farm in what was then the largest peasant country in the world.

STANDARD ECONOMICS CHALLENGED

From this starting point Chayanov proceeded to challenge head-on the validity of standard economics for the task of analysing the economic behaviour of peasant farms relying on family labour only. The prevailing concepts and doctrines of classical and neo-classical economics, he wrote, had been developed to explain the behaviour of capitalistic entrepreneurs and business undertakings in which hired hands worked for wages. The economic theory of the behaviour of such firms turned on the quantitative inter-relationship of wages (of labour), interest (on capital), rent (for land), and profits (of enterprise). To find out whether a given business firm was making a *profit*, it was necessary to set down the value of gross annual output, deduct outlays for *wages*, materials, upkeep, or replacement of capital and other usual expenses including *rent*, and then compare the sum left over with the *interest* which might be earned at prevailing rates on the total fixed and circulating capital. These four factors, wages, interest, rent and profits, operated in close functional interdependence and were reciprocally determined. The moment one of the four factors was not there, it became impossible to establish just what was to be included in each of the remaining three, and hence there was no way of determining their magnitudes. Take away any one of the four factors, Chayanov argued, and the whole theoretical structure went awry, like a cart which has lost one wheel. This was precisely what happened, according to Chayanov, when economists tried to apply the analysis in terms of wages, profit, rent, and interest to peasant family farms.

Since peasant family farms had no hired labour, they paid no wages. Accordingly, the economic category "wages" was devoid of content, and the economic theory of wages irrelevant to family activity. Carrying the argument further, Chayanov posed the question whether, in the absence of wages, the net gain, the rent, and the interest on capital could be worked out for such peasant farms. His

answer was a flat “no”. In the absence of wages, these calculations could not be made. Hence the behaviour of these farms could not be accounted for in terms of standard theories of the four main factors of production.

WAGE IMPUTATION REJECTED

Furthermore, Chayanov saw no validity in circumventing the absence of wage data by imputing values to unpaid family labour. He insisted on taking the entire family household as a single economic unit and treating their annual product minus their outlays as a single return to family activity. By its very nature this return was unique and indivisible. It could not meaningfully be broken down into wages and the other factor payments of standard economic theory. In Chayanov’s view, the return to the peasant family was *undifferentiable*.

Professional economists, Chayanov conceded, would balk at this, for they would somehow prefer, as Alfred Weber had told him in Heidelberg around 1924,⁴ to encompass these family units together with the more tractable business enterprises within a single system, a universal economics, the standard economics on which they had been brought up. Such an attempt, Chayanov insisted, was foredoomed to failure.

NON-EUCLIDEAN ECONOMICS

Economists would have to face the fact, he held, that economies made up of family units in which the category of wages was absent belonged to a fundamentally different economic structure and required a different economic theory. Such a theoretical system, he wrote, would have the same relationship to present day economics as Lobachevski’s geometry bore to that of Euclid. In his day Lobachevski gave up the assumption of parallel lines; we would have to drop wages.

Chayanov’s own theory – or, if the expression be permitted, his non-Euclidean economics – was not restricted to peasant agricultural

⁴Alfred Weber was the distinguished German economist who, together with Joseph Schumpeter and Emil Lederer, then edited the leading German social science periodical, *Archiv für Sozialwissenschaft und Sozialpolitik*.

production. He was concerned with the total income of the peasant family, whether from agriculture or also from crafts and trades. The economic unit for which his theory was devised was the peasant family taken as a whole in all its works, or alternatively, the total economic activity of family labour. Thus he saw his exposition of peasant economy as a particular form of a larger doctrine, the theory of family economy.⁵

THE LABOUR-CONSUMER BALANCE

Chayanov's central concept for analysing family economics is what he called the labour-consumer balance between the satisfaction of family needs and the drudgery (or irksomeness) of labour. Once grasped, this concept furnishes the key to his entire position and mode of presentation. It was one of the chief weapons that he wielded in his severe critiques both of Marxian economics in Russia and of orthodox classical and neo-classical economics in the west.

In developing his concept of the labour-consumer balance, Chayanov began with the *gross* income or gross product of a peasant family household at the end of an agricultural year, assumed to be at a given level (say, 1,000 roubles). From this annual gross income certain expenses had to be deducted, so as to restore the farm to the same level of production it possessed at the beginning of that agricultural year, i.e., seed, fodder, repairs, replacement of expired livestock and worn out equipment, etc. Once these expenses had been deducted, the family was left with a *net* product or net income that constituted the return for its labour during that agricultural year. How was that net income or net product to be divided up among family budget for consumption, capital formation for raising the farm's potential level of production, and savings (in so far as there was any possibility of savings not invested in the farm)? Put more simply, what should the family eat, what fresh capital should it invest in the farm, what should it put by?

A *capitalistic* enterprise, Chayanov pointed out, can get objective, quantitative evidence as to how to proceed. By deducting from its gross product the outlays on materials, capital consumption, and

⁵Cf. the title of Chayanov's book in German, *Die Lehre von der bäuerlichen Wirtschaft: Versuch einer Theorie der Familienwirtschaft in Landbau* ("The Doctrine of Peasant Economy: Test of a Theory of Family Economy in Agriculture"), Berlin, P. Parey, 1923.

wages, a business concern can ascertain its net profits. If it wishes to increase its profits, the concern can put in more capital and obtain in due course an exact quantitative statement as to the increase, if any, in net profits. For a peasant family farm, however, there are neither wages nor net profits. The family members know roughly how many days they have worked, but Chayanov insisted, there is no *valid* way of estimating in money the value of their work. All that they can see before them is the net product of their work, and there is no way of dividing days of labour into poods of wheat.

SUBJECTIVE EVALUATIONS

The way the peasant family proceeds, according to Chayanov, is by subjective evaluation based on the long experience in agriculture of the living generation and its predecessors. Most peasant families, Chayanov showed, are in a position to work more hours or to work more intensively, sometimes even both. The extent to which the members of the family actually work under given conditions, he called the degree of self-exploitation of family labour. The peasants would put in greater effort only if they had reason to believe it would yield an increase in output, which could be devoted to 'greater family consumption, to enlarged investment in the farm, or to both. The mechanism which Chayanov devised for explaining how the family acted is his labour-consumer balance. Each family, he wrote, seeks an annual output adequate for its basic needs; but this involves drudgery, and the family does not push its work beyond the point where the possible increase in output is outweighed by the irksomeness of the extra work. Each family strikes a rough balance or equilibrium between the degree of satisfaction of family needs and the degree of drudgery of labour.

FAMILY "NATURAL HISTORY"

In itself, Chayanov hastened to add, there was nothing novel or remarkable about this concept. It goes back, after all, to Adam Smith. What is of interest and gives value to Chayanov's book is the way he handled the concept. He showed how for different families the balance or equilibrium between consumer satisfaction and degree of drudgery is affected by the size of the family, and the ratio of working members to non-working members. He traced the "natural history" of the

family from the time of the marriage of the young couple through the growth of the children to working age and the marriage of this second generation. In relating this natural history of the family to the changing size of peasant farms from generation to generation, Chayanov developed the concept of "demographic differentiation" which he asked his readers to contrast with the Marxian concept of class differentiation among the peasantry.

But his analysis is far from being primarily demographic. Basing himself on the zemstvo statistics, on the studies of these by his predecessors and colleagues, and on fresh field inquiries, Chayanov examined the effects on the labour-consumer balance of a wide range of factors. He took account of size of holdings, qualities of soil, crops grown, livestock, manure, location, market prices, land prices, interest rates on capital loans, feasibility of particular crafts and trades, availability of alternative work, and relative density of population. Chayanov was not so much concerned with the individual effects of each of these factors, as with their mutual effects as they changed through time.

MARGINAL UTILITY ANALYSIS

In weighing the influence of these *several* elements on the delicate balance between urgency of family needs and drudgery of labour, Chayanov employed some of the concepts and techniques of marginal utility analysis. His terminology included, for example, demand satisfaction, and marginal expenditure of work force. For factors such as willingness to put in greater efforts which were not subject to any precise measurement, he constructed equilibrium graphs showing interaction under varying assumptions.

Chayanov foresaw, quite correctly, that his use of these tools of "bourgeois" economics would shock many of his contemporaries in Soviet Russia of the mid-1920's. He countered that his work should be judged not by the genealogy of his techniques but rather by the results which he had been able to obtain through the application of those techniques to the Russian data in the light of economic postulates firmly anchored in peasant behaviour.

Summing up his findings, Chayanov wrote that "available income was divided according to the equilibrium of production and consumption evaluations which expressed a desire to maintain a

constant level of well-being".⁶ Generally speaking an increase in family gross income led to increases in both family budget and capital formation. The precise way the gross income was divided up in each family was a question of subjective judgement by the head of the family and hence could not be expressed in objective, quantitative terms.

According to Chayanov, the basic characteristics of peasant family economic behaviour were fundamentally different from those of capitalistic farms in respect of price they were prepared to pay for buying land, interest they were willing to pay in borrowing capital, rent they would pay for leasing in land, price at which they would sell their produce, etc. In conditions where capitalist farms would go bankrupt, peasant families could work longer hours, sell at lower prices, obtain no net surplus, and yet manage to carry on with their farming, year after year. For these reasons Chayanov concluded that the competitive power of peasant family farms versus large-scale capitalist farms was much greater than had been foreseen in the writings of Marx, Kautsky, Lenin and their successors.

VIABILITY OF PEASANT FAMILY FARMS

In proclaiming the viability of peasant family farming Chayanov set himself against the main streams of Marxist thought in Russia and Western Europe. Marx had termed the peasant who hires no labour a kind of twin economic person: "As owner of the means of production he is capitalist, as worker he is his own wage worker". What is more, Marx added, "the separation between the two is the normal relation in this [i.e., capitalist] society". According to the law of the increasing division of labour in society, small-scale peasant agriculture must inevitably give way to large-scale capitalist agriculture. In Marx's own words:

[the] peasant who produces with his own means of production will either gradually be transformed into a small capitalist who also exploits the labour of others, or he will suffer the loss of his means of production. . .and be

⁶This is only one way – and an oversimplified one at that – of summarising Chayanov's position on a quite complex relationship. In the various chapters of his book he spells out the nuances that are involved. For an earlier discussion of a balance between "need" and "labour", see W. Stanley Jevons, "The Theory of Political Economy", 4th Edition; London, Macmillan, 1911, Chap. V.

transformed into a wage worker. This is the tendency in the form of society in which the capitalist mode of production predominates.⁷

Marx and Engels believed that the advantages of concentration and centralization lay with the capitalist farmers who would, in the course of time, swallow up the small peasants. Two outstanding followers of Marx who adhered to this position were Kautsky, whose monograph, *Die Agrarfrage*, was published in Stuttgart in 1899, and Lenin, whose work entitled "The Development of Capitalism in Russia" appeared later in the same year in Moscow. The analyses by Kautsky for Western Europe and Lenin for Tsarist Russia were each sharply challenged in a large body of literature which it is out of the question for us to discuss here.⁸ What is of interest to us is that Chayanov rejected both the terms in which Marx analysed the peasant farm, and the assessment by Lenin of the importance of family farms in the Russian economy of his time.

FICTIONAL BIFURCATION

At the outset of his book on "Peasant Economic Organization," Chayanov assailed the characterization of the peasant as having a two-fold nature, combining in himself the attributes of both a capitalist and a wage worker. Chayanov termed this bifurcation an unhelpful fiction, what is worse, a purely "capitalist" kind of fiction, in the sense that it was made up entirely of capitalist categories and was conceivable only within a capitalist system. For understandable reasons Chayanov did not explicitly state that he was criticizing Marx. It was all too easy, however, for anyone familiar with what Marx wrote, or with what Lenin wrote about Marx, to discern who was at

⁷Marx, *Theorien uber den Mehrwert*, in the translation of G.A. Bonner and Emile Burns, "Theories of Surplus Value" (London, Lawrence and Wishart, 1951), pp. 193-94.

⁸Even before the appearance of Kautsky's book, the position and policy of the German Socialists with regard to the small peasantry had given rise to sharp dispute within the party. Some of the original documents are conveniently assembled and translated into English by R.C.K. Ensor in his useful collection, *Modern Socialism*, 2nd Edition, London and New York, 1907, especially items XV, XVI and XXII. Convenient discussions of the controversy in central and western Europe are given in the works by A. Gerschenkron, "Bread and Democracy in Germany" (Berkeley, Calif., 1943) and in George Lichtheim, *Marxism* (London, 1961), Ch. 5, "Kautsky".

least one of Chayanov's targets.⁹

Chayanov's position vis-a-vis Marx, it should be noted, was not altogether his own creation but reflected the cumulative work of the "Organizational and production school" of Russian agricultural economists from time of Kosinskii's 1905 treatise onward. A neat statement of the position of this group can be found in the well-known treatise on "The Accumulation of Capital" by Rosa Luxemburg, the most dynamic force in German socialism in the period of the First World War. Luxemburg had been born in Poland under Tsarist rule, and was thoroughly familiar with Russian literature on the peasantry:

It is an empty abstraction (she wrote) to apply simultaneously all the categories of capitalistic production to the peasantry, to conceive of the peasant as his own entrepreneur, wage labourer and landlord all in one person. The economic peculiarity of the peasantry, if we want to put them...into one undifferentiated category, lies in the very fact that they belong neither to the class of capitalist entrepreneurs nor to that of the wage proletariat, that they do not represent capitalistic production but simple commodity production.¹⁰

Chayanov's differences with Lenin were, if anything, even sharper than his divergences from Marx. As early as 1899 Lenin had written that in Russian agriculture, the capitalist farmers, the peasant bourgeoisie, were already in the saddle. They were in a small minority. Lenin wrote, perhaps no more than twenty per cent of the farm households. Nonetheless, in terms of the total quantity of means of production, and in terms of their share of total produce grown, "the

⁹Where Chayanov found Marx in agreement with him, he of course did not hesitate to quote him by name. Thus he cites both in Ch. V and in Ch. VI the celebrated passage in which Marx states: "...with parcellated farming and small scale landed property...production to a very great extent satisfied own needs and is carried out independently of control by the general (i.e., the capitalist) rate of profit."

It should be noted that in the 1870's Marx learnt Russian primarily in order to read the zemstvo reports on the peasantry. He followed these closely, and as was his habit, took extensive notes. Three volumes of these notes have been translated from German into Russian and published, and a fourth has been announced. See the ARXIV MARXA – ENGELSA. Vols. XI, XII, XIII (Moscow, 1948, 1952, and 1955, respectively).

¹⁰Rosa Luxemburg, *Die Akkumulation des Kapitals*, Berlin, 1913, as reprinted in 1923, p. 368. I have followed the English translation of 1951, "The Accumulation of Capital" (London, Routledge, 1951), but have made it more literal.

peasant bourgeoisie are predominant. They are the masters of the countryside".¹¹

By what criteria did Lenin separate capitalist farmers from non-capitalist peasants? In his view, the decisive step toward capitalism came when labourers had to be hired, when "...the areas cultivated by the well-to-do peasants exceed the family labour norm (i.e., the amount of land that a family can cultivate by its own labour), and compel them to *resort to the hiring of workers*. . . ."¹² For Lenin the hiring of workers had become widespread, and Russia was well on its way toward a capitalist agriculture with a peasant bourgeoisie and a rural proletariat. Chayanov's numerous references to the very small part that hired labourers played on Russian farms (e.g., his assertion that 90 to 95 per cent had no hired labourers in the period 1900-1925), constitute, therefore, a direct if implicit refutation of Lenin. In fact, Chayanov's whole approach – his selection of the pure family farm as the typical Russian unit, his insistence on the survival power of such family farms, and his treatment of rural differentiation in terms of demographic cycles rather than class antagonisms – was diametrically opposed to that of Lenin.

WIDER RELEVANCE OF CHAYANOV'S THEORY

Chayanov's "micro" theory, in so far as he was able to elaborate it before his career was cut short, is essentially a theory of one kind of individual family farm in Russia, the family farm that employs no hired labour whatsoever. There were other kinds of peasant farms in Russia, and there were capitalist farms as well. Once we step out of Russia we find peasant family farms elsewhere in Europe and in Asia, Africa and the Americas. Chayanov's theory was devised so as to take account of Russian conditions, where the kind of peasant family farm that he discussed was predominant. Does his "micro" theory apply to peasant family farms in other countries?

Chayanov himself conceded that his theory worked better for thinly populated countries than for densely populated ones. It also worked better in countries where the agrarian structure had been shaken up (as in Russia after the emancipation of the serfs in 1861), rather than in countries with a more rigid agrarian structure. Where the peasants

¹¹V.I. Lenin, "The Development of Capitalism in Russia", Moscow, Foreign Languages Publishing House, 1956, pp. 177-178.

¹²*Ibid.*, p. 52.

could not readily buy or take in more land, his theory would have to be seriously modified.

Since Chayanov did not work out these modifications, he did not elaborate a full-blown theory of peasant family farming for any country other than Russia. Nonetheless, he indicated that he thought one single universal theory of peasant family farm at the micro level could be devised. In his view, the Russian case, which he developed so fully, was only an illustration of this larger theory.

One wonders whether he may not have been overoptimistic about the possibility of an universal "micro" theory of peasant family farming. We will recall that in calculating the springs of peasant decisions in Russia, Chayanov took account of the interaction of a very large number of factors including family size and structure, land tenures, climate, access to markets, and possibility of getting extra jobs in off-seasons. He was able to construct his models the more easily since he assumed the existence of a single "pure" type of family farm, free of hired wage labour. Extending the theory outside of Russia would at the very least involve preparation of alternative models for "impure" peasant households, employing hired labour.

Although it encompassed a very wide range of possibilities, Chayanov's theory of peasant farming remained essentially a static one. From the 1860's through the 1920's the Russian agricultural economy underwent a rapid series of fundamental changes. There were marked sectoral and regional differences in rates of growth. Chayanov often referred to the existence of these differentials, but pitched his theory at a level of abstraction well above them.

NON-CAPITALISTIC SYSTEMS

With regard to the broader institutional framework, Chayanov was fond of saying that capitalism was only one particular economic system. There had been others known to history, and perhaps more were to come in the future. In his 1924 article, the title of which we have translated as "On the Theory of Non-Capitalistic Economic Systems", Chayanov cites six major kinds of economies. Three of these are familiar; capitalism, slavery and communism. The fourth, "family economy", Chayanov divided into two sub-types: "natural" economy and "commodity" economy. These latter names may be taken as roughly equivalent to "self-subsistent" and "market-oriented". In Chayanov's two additional categories – the "serf

economy" of Tsarist Russia, and the "feudal economy" of mediaeval Western Europe – the "commodity" economy of the lords was superimposed upon the "natural" economy of the peasants. The chief difference between the two systems, according to his schema, was that in Russia the peasants worked on their own fields but had to make payments in kind to the lord, whereas in the West the peasants had to put in certain days of work directly on the home farm of the lord. Both of these lord-and-peasant systems were essentially symbiotic admixtures of the two sub-types within the basic category of "family economy." In effect, therefore, Chayanov postulated only four major systems; capitalism, slavery, communism and family economy.

UNIVERSAL ECONOMICS ETHEREAL

Will one universal economics, Chayanov asked, suffice for all of these systems? One could be erected, he conceded, but at the price of containing only vague and lofty abstractions about scarcity and optimalization. That would scarcely be worth the trouble. Properly speaking, each separate system required its own theory, its own body of theoretical economics. Each such theory should explain the functioning of the economy at the aggregate level, i.e., the economics of the nations or states falling within its purview.

The major system with which Chayanov was most familiar was, of course, the family economy of his native Russia. He referred repeatedly to his desire to show the significance of agriculture based on peasant family farming for the entire Russian *national* economy. In the Introduction to his book, "Peasant Economic Organization," he announced his intention to go into the subject thoroughly at a later date, but he does not seem to have found the time to do so. Hence we do not have from him any systematic exposition of his theory of family economy at the national level, nor any case study of the economic functioning of a predominantly peasant country taken as whole. Nonetheless, we find scattered through his works many suggestive remarks on peasant economy at the national level.

When Chayanov was arrested in 1930 together with a number of his colleagues, his research teams were dispersed. The most fertile and sophisticated group of scholars working in any country on peasant economy was shattered. The quality of Chayanov's writings from 1911 to 1930 permits us to believe that had he been able to continue with his scientific work he would have contributed even more significantly to the understanding of peasant economic behaviour both in and out of Russia.

17. Social and Economic Studies of Dr. H.H. Mann*

Harold Mann's fame in agriculture and the natural sciences always overshadowed his remarkable achievements in the field of social study. He himself contributed to this process by his disarming habit of referring to his town and village studies as merely his hobby. With rare exceptions, his acquaintances in the agricultural world took these expressions at face value. Even the most summary review of his contributions to the social sciences will suggest, I believe, that his accomplishments in this field were probably as great as those which gave him an international reputation in the natural sciences.

I

Harold Mann grew up and went to school in Yorkshire in the 1880's and early 1890's. This was precisely the period when Charles Booth was applying to London the detailed methods of studying urban poverty, slums, drink, etc., first worked out in France by Frederic Le Play. In 1901, R. Seebohm Rowntree published an exhaustive inquiry into the extent and consequences of poverty in Dr. Mann's own hometown, the city of York. Inspired by Rowntree's work, Dr. Mann decided to see whether the same methods could be applied to an agricultural village in England. With the aid of friends, he organized in October-November 1903 a study of Ridgemount, the village near which he had lived from 1898 to 1900, when he was working at the Woburn Experimental Station.

Through the intermediacy of Seebohm Rowntree, Dr. Mann's study was submitted to the newly-founded Sociological Society in 1904, and published in the first volume of "Papers" of that Society, under the

**Economic and Political Weekly*, Bombay, April 1, 1967. Also published in Harold H. Mann, *The Social Framework of Agriculture: India, Middle East, England*, edited by Daniel Thorner (Bombay: Vora & Co., 1967).

title, "Life in an Agricultural Village in England: A Study in Economics". It was the pioneer application to the British rural scene of the Le Play-Booth-Rowntree methods and paved the way for many subsequent studies.

Calcutta Ward Survey, 1903

Dr. Mann's headquarters from 1900 to 1907 were not in England but in Calcutta where, as an agricultural chemist, he was Scientific Officer to the Indian Tea Association. Thus his field work at Ridgemount in the Fall of 1903 must have been sandwiched in while he was on home leave from India. Before and after that sojourn in England, Dr. Mann had been utilizing his spare time in Calcutta to design a quite different type of field inquiry. On behalf of the Drink Problem Investigation Committee of that city, Dr. Mann, a dedicated advocate of temperance, conceived and carried out in 1903-04 a detailed investigation of drink-shops and their clientele in Wards 6 and 13 of Calcutta. To the best of my knowledge, this study represents the first application of the Le Play-Booth inquiry method to an Indian town. Moreover, although the term "sample survey" was not current in those days, Dr. Mann in fact selected his subjects in such a way as to obtain a probability sample of the universe of liquor purchasers in the two wards which he covered.

In 1903, the same year that he launched his pioneer studies of village life in England and town problems in India, Dr. Mann also managed to issue his fundamental revision of Watt's basic manual on the diseases of tea plants. A glance at the bibliography of Dr. Mann will show that he continued to exhibit this marvellous versatility right up to the time of his death in 1961.

Tea Garden Coolies, Assam

While in Calcutta, Dr. Mann became friendly with Dr. N.G. Mukerji, whose "Handbook of Indian Agriculture", first issued in 1901, was the outstanding manual on the subject. Dr. Mukerji died in 1906, in the midst of preparing a thorough revision of his "Handbook". Dr. Mann saw the job through; the new version appeared in 1907. Again in 1915 Dr. Mann brought the book up to date and considerably shortened it. On both occasions, he insisted on remaining anonymous so that the work would appear under Mukerji's name only.

Not long before the close of his seven-year stay in Eastern India, Dr. Mann found time to analyse the cost and adequacy of the diet of tea garden coolies in Upper Assam. His work for the Tea Association had often required him to visit the tea plantations in the hills. It was characteristic of the man to take a personal human interest in the Mundas, Oraons and other tribal peoples of east-central India who had migrated to Assam under indenture contracts to constitute the plantation labour force. We may note with some surprise that, as of 1906, Dr. Mann found that the normal diet of a working labourer amounted to 3,700 calories per day; and that the coolie's working wife, who performed similar tasks on the plantation, had the same food, viz., at the rate of 3,700 (*sic*) calories per day. Children were provided roughly half of this per head. At these levels of nutrition Dr. Mann found that the cost of feeding a labourer, his working wife, and three children, amounted in 1906 to Rs.10-10-0 per month.

II

Dr. Mann moved from Calcutta to Poona in 1907 upon his appointment as Principal of the Agricultural College and Agricultural Chemist for Bombay Presidency. For the ensuing twenty years Poona, and, to a lesser extent, Bombay, remained his headquarters. After taking time to familiarize himself with the dry Maharashtrian setting of the Deccan – what a different world it must have seemed from the lush Ganges Delta and the hills and valleys of Assam! – Dr. Mann launched an intensive investigation of Poona as a characteristic Deccan town. He has indicated that his friend, Patrick Geddes, encouraged him to undertake this survey of Poona. Only a part of his results were ever published, two papers concerned primarily with the lowly or “Untouchable” classes, principally the Mahars and Mangs. In the same period Dr. Mann published a study entitled “The Mahars of a Deccan Village”, which dealt with Saswad, then a little country place of a purely rural character, 16 miles from Poona. All three papers are detailed, precise studies in the Le Play-Booth tradition. They are based upon interviews with all the resident families of the castes studied in Poona and Saswad. They constitute, I believe, our first modern, quantitative studies of the Untouchables. The study of Saswad was the first, to my knowledge, to apply the Le Play-Booth method to the Indian countryside.

Jamshedpur as a "New Town", in 1919

At the time of World War I, Dr. Mann's rural and urban inquiries had become well-known to social scientists in India and England, and his reputation led to his being recalled temporarily to Eastern India. The Tata Company, operators of India's first great steelworks at Jamshedpur, decided to have a social relations analysis made of their company town situated some 150 miles west of Calcutta. When they asked England for recommendations as to who should undertake the study, Sidney Webb, Professor L.T. Hobhouse, and other distinguished personages in London referred them to Dr. Mann. He accepted the invitation from Tatas, obtained leave from the Government of Bombay, and carried out his investigation during the closing months of 1918. In his printed report dated January 1919, Dr. Mann showed that on the social side India's first steel town had got off to a poor start. Lack of planning had led to grave problems in regard to housing, supply of food and other consumption goods, welfare of mothers and children, and health. As a comprehensive welfare analysis of a "new town" centred on a single great industrial complex, Dr. Mann's report on Jamshedpur is unique for India. It is a pity that the Tata Company has not yet circulated this report among the public, nearly half a century after it was first printed.

III

Dr. Mann's most celebrated social inquiries were his two village studies in the Deccan. As early as 1911 Dr. Mann had suggested in print that it would be useful to make a detailed survey of a single village in India. In a talk which he gave in London in 1961, he has explained how he went about making his first survey, and he has indicated how much he owed to the remarkable group of young Indians who were then working with him in Poona. It took Dr. Mann and his half-dozen collaborators two years (1913-1915) to gather all the data they deemed essential. Their short but important book on the village of Pimpla Saudagar was issued in 1917; Dr. Mann had earlier published an article in the "Indian Journal of Economics" summarising their work.

Deccan Village Survey

When Dr. Mann's results became public knowledge, a storm broke loose. As a result of his inquiries Dr. Mann had concluded that only 35 per cent of the families of the village surveyed could make do from agriculture alone. A finding of this sort by an Englishman, in fact a government official, was considered by many of Dr. Mann's compatriots as a bad case of "letting the side down". A more serious and thoughtful criticism put forward at the same time was that Pimpla Saudagar might be an unrepresentative village because it was located near the important government arms factory of Kirkee. Dr. Mann at once acknowledged the justice of this argument. With some of his original collaborators he soon set about the study of another and much more isolated village, Jategaon Budruk, situated about 25 miles northeast, as the crow flies, from Poona. The group of researchers had the satisfaction of discovering by the winter of 1917-18 that the economic data gathered in this far-off village yielded results which differed in no significant respect from those obtained in Pimpla Saudagar. From that time onward Dr. Mann's village studies began to gain acceptance, even among official circles. By 1927, Dr. Mann had the honour of being called as the first witness before the Royal Commission on Agriculture in India (the Linlithgow Commission). He was officially encouraged to submit to the Commission up to date evidence for 1926 on the two villages he had earlier studied, so that these could be compared with his initial results for 1916.

Dr. Mann also extended in historical depth his examination of one of these villages, Jategaon Budruk. With help from his Maharashtrian collaborators, he managed to find in the Poona archives of the Peshwas records for Jategaon Budruk extending back to 1698; see his paper, "A Deccan Village under the Peshwas", published in 1923.

Theory Tied to Data

In the course of conducting his social inquiries Dr. Mann came to formulate his views on methods of work appropriate for such studies. His reflections on this subject seem to me to be of such lasting value that I have placed them at the head of this volume.

Society, Dr. Mann wrote, presented the most complicated phenomena on earth. To decipher the meaning of a social system required a series of intensive studies of social conditions over

comparatively small areas. Observation must be complete, small differences cannot be ignored – “inaccurate data are worse than no data at all”. Naturally the observations which are made relate to specific hypotheses and theories. But how far in advance of knowledge can the investigator permit his theory to go? Here Dr. Mann was very firm. Theories, he stated, should go only a little in advance of knowledge, just enough to suggest further experiment. “If they go beyond this, they are often a hindrance.”

In all this Dr. Mann was aligning himself explicitly in the Le Play-Booth-Rowntree tradition. He considered Rowntree’s 1901 study of York the most striking and perfect of such studies. Dr. Mann was so enthusiastic about Rowntree’s later volume, “Land and Labour: Lessons from Belgium”, that he adopted the same title when he published the results of his own Deccan village studies in 1917 and 1921.

India’s Unnecessary Poverty

As we have mentioned, almost all of Dr. Mann’s village and town inquiries were made in time that he spared from his regular work as an agricultural scientist and later as Principal of the Poona Agricultural College. Dr. Mann enjoyed doing these studies and believed that they were worthwhile in themselves. Nonetheless, he was an exceedingly busy man. He would not have devoted all the effort that he did to these inquiries unless he thought there was a larger context in which they were important. That context was the poverty of India, in Dr. Mann’s eyes, the unnecessary poverty. He believed that with the existing land and available manure the agricultural output of India could be raised by 50 per cent. Furthermore, he held that, if the reserve of labour in the villages could be marshalled productively, then total production on existing land could be pushed up higher still. Such an increase in production might go a long way toward reducing poverty in the countryside and lifting up the quality of life. Why didn’t that increase in output take place? What were the forces or factors operating to prevent it?

Dr. Mann had little patience with people who tried to answer questions like these on the basis of printed volumes to be found in libraries. The available data, he wrote, were scanty and unsatisfactory. No progress in understanding India’s basic agricultural problems was possible, he felt, without much more evidence freely gathered by

investigators sympathetic to the peasantry yet determined to get information of a high degree of precision. His village inquiries were intended to show that such investigations were feasible in India, and to inspire other researchers to follow his example in other regions of the subcontinent. He drove himself relentlessly not only because that was his nature, but because he conceived the task as large and urgent.

IV

Throughout Dr. Mann's twenty years of service in the Bombay Presidency and his later appointments in 1928 and 1930 as Agricultural Adviser in Hyderabad State, he had constantly to deal in practical terms with proposals for agricultural betterment. The first decades of the century saw a great expansion in the work of the Departments of Agriculture in the various provinces of British India. In the years from 1909 to 1914 four successive Reports were issued by the Central Board of Agriculture of the Government of India under the title, "The Introduction of Improvements into Indian Agriculture by the Work of the Agricultural Departments" (1909, 1910, 1912, 1914). Dr. Mann worked on all of these and was, in fact, Chairman of the Committee which drafted the last three. These are administrative documents not intended for the general public, but a number of the main points from these Reports are presented in an interesting and forceful way in Dr. Mann's crisp paper of 1915, "The Lines of Development of Indian Agriculture".

With regard to the agriculture of Western India, the area he came to know best, Dr. Mann was undoubtedly the most productive writer of the era. To my knowledge, his "Statistical Atlas of Bombay" (3rd Edition, 1925), remains the best agricultural atlas ever produced in India.

The views which Dr. Mann developed on the basic problems of Indian agriculture may be stated in very simple terms. There were, according to his analysis, many forces operating to make the peasantry stolid, inert, passive. At the same time there was a proved readiness on the part of the peasantry to adopt changes which would benefit them quickly, surely, and substantially, provided these involved small out-of-pocket cost. Most peasants were short on capital but long on labour. To get capital they had to borrow at high rates of interest. Hence their enforced preference for inexpensive improvements.

The Heart of the Problem

Even more crucial was the question of incentive. The peasants' fear, which Dr. Mann considered justified, was that little or none of the benefits from their extra exertions would accrue to themselves. Any fresh gains were likely to be taken away from them by the landlord, the moneylender, the crop merchant, or some petty local official. Thus the fundamental obstacle to the taking up of improvements by the peasants was not technical or narrowly agricultural. It was rather a question of the very foundations of village economy and society.

These views are set forth in three of Dr. Mann's outstanding contributions: his written and oral testimony before the Royal Commission on Agriculture of 1926-28; his masterly article of 1929 entitled "The Agriculture of India", and his sober but not pessimistic survey in 1948 of the prospects for "Village Betterment in the New India and Pakistan".

Although optimistic by nature, Dr. Mann preferred not to blink at the massive roadblocks in the way of any genuine rural progress in India. He always emphasized that the crucial obstacle was the social one, the institutional framework of Indian agriculture. If any scheme of planned development was to get very far, he argued, it would have to bypass the normal channels of power in the countryside. The actual cultivators who worked out in the fields under the glaring sun would have to be given a major voice in all decisions.

Dr. Mann conceded that the passage of authority from established or vested interests to bona fide tillers would have revolutionary implications and that there was no precedent for this in the modern history of India. Without a change of this order of magnitude, however, he remained skeptical that Indian agriculture would be able to realize its admittedly great potentialities. There was a vast amount of work that was necessary to lift up output in India, and there was a large reserve of under-utilized labour-time in the villages. It might seem obvious, when viewed in abstract, that the spare labour-time and the work to be done should be brought together. But in everyday life it was not so simple. The excess labour-time was in the hands of the mass of the village poor; the main benefits of such works as road-building or clearing of irrigation channels were likely to accrue to the handful of well-off families in the village. Why, then, should the many bestir themselves for the benefit of the few?

No Miracles in Agriculture

Until this social problem was resolved, Dr. Mann had no great expectations for improvement of Indian agriculture through technical measures. While something could be said in each case for irrigation, seeds, fertilizers, land reclamation, consolidation, large-scale farming, and cooperation, he expected no panacea, no simple single solution. With regard to irrigation canals, for example, he felt that the most promising ones had long ago been built; the possibilities that remained were limited, and there were regions in which irrigation, unless introduced with proper precautions, could do more harm than good.

Trained as a chemist, Dr. Mann had looked closely into the value of natural and artificial fertilizers for India. Their use, he concluded, had to be proportioned to the availability and dependability of a restricted water supply. With regard to land reclamation, he wrote that India was unfortunately not so well situated as the Soviet Union; there were, alas, no substantial resources of good land waiting to be brought under the plow. As for land consolidation, which had been much talked of from 1900 to 1925, the actual results in the years after 1925 had proved disappointing.

v

Dr. Mann was particularly interested by collective farming and by the cooperative movement – two quite different things which he was very careful to distinguish. Collectivization along Russian lines attracted his attention in the 1930's as a possible device to overcome the poverty of the peasants. By the end of World War II, however, he felt that collectivization had destroyed the Russian peasant economy as a structure, and turned the peasants into labourers working for the state.

Cooperation as a movement won enthusiastic and energetic support from Dr. Mann, particularly during his years in Bombay (1907-1927). He is, in fact, considered one of the major figures in the building of the cooperative structure of Bombay, the area of India in which cooperation has perhaps registered its greatest successes. Nonetheless, Dr. Mann did not let his enthusiasm blind him to the harsh reality that, on balance, the failures of the movement in India far outweighed its successes, and that the causes of these failures were

deeply rooted, not only in the Indian soil, but in Indian society.

Benefits Must Reach Tillers

The sobering conclusion which Dr. Mann reached after long decades of anxious work and inquiry was that the agricultural transformation of India would have to come the hard way. The starting point would have to be the lands already long under cultivation, and the most difficult problem would be not how to obtain greatly improved yields from those lands, but how to do so in such a way that a substantial share of the increases in output would go to the actual cultivators.

Short of a genuine solution, Dr. Mann refrained from striking at easy targets, such as the village moneylenders. It was only too easy to attack them, Dr. Mann indicated, but “in the existing structure” there were essential functions which they were performing (at a high price, admittedly), and which no one else was in a position to fulfil. Until a better mode of supplying credit to poor peasants could be worked out *in practice*, it was no service to the peasantry to drive out the village moneylender.

Dr. Mann’s defence of the much-abused village “banias” provides a good example of the scientific integrity that compelled him to study all relevant facts as objectively as possible, and then to express his conclusions without bowing to popular prejudice. With this stubborn fact-mindedness Dr. Mann combined a constant awareness of the larger human framework within which agricultural problems arose. All his work on Indian villages and cities is imbued with his deep concern for the welfare of the peasants and townsmen, at first within the context of a colonial dependency, and later, after a transition he had worked for and which he warmly welcomed, within that of an independent nation.

Dr. Mann was never afraid to issue the findings of his studies nor to point out their relevance to the broader issues of social justice and political freedom. No matter how unpalatable his results might be to the powers of the day, Dr. Mann spoke his mind and said what he thought had to be said. He paid for this – honours and distinctions went elsewhere – but he felt it was worth the price.

18. Marx on India and the Asiatic Mode of Production*

India bulked large in Marx's thought in the most creative period of his activity, from 1853 to 1867. These were the years when he wrote the immense preparatory drafts of *Capital*, organised the First International and actually issued in printed form the first volume of *Capital*, the only one that was to appear in his lifetime.

Throughout this time Marx was living in London which, as the centre of the British Empire, gave him a particularly good vantage point from which to observe the course of events in India. Great Britain was then by far the greatest economic power in the world, the one in which industrial capitalism had progressed furthest. Britain's empire in India was the largest and most valuable of all imperial possessions.

During the 1850's, Marx was an active London correspondent for the American newspaper edited by Horace Greeley, the *New York Daily Tribune*. Whenever there were events of importance affecting India, he had, therefore, to write about them in his despatches. This was the origin of his important series of articles on India when Parliament renewed the charter of the East India Company in 1853. Again, during the Great Rebellion in India in 1857-58, he and Engels sent many noteworthy contributions to the *Tribune*. We might note in passing that they also wrote important articles in this period on Persia, China and other countries in Asia.

Nonetheless, Marx's chief interest at all times was in Europe; his central concern was always to analyse and comprehend the bourgeois society of the nineteenth century which he saw around him in Germany, France, Belgium, and England, and to the overthrow of which he dedicated his life. He studied other types of society mainly in order to find out how the capitalism of his own day had come into being. India and the rest of the Orient had importance for him

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primarily in so far as they could throw light on European development or offer an instructive contrast.

We shall concentrate in this article precisely on the way Marx used Indian materials to elaborate his theories of the social history of Europe. We shall see that in his attempt to trace the origins of the relations between the capitalists and proletarians of his own times, Marx postulated a very early stage of human society in which all men were both owners and workers. Logically this social form represented for him the base from which all other types could be deduced. Marx considered that a society of this nature had actually existed in India from the most ancient times until the British conquest. Accordingly he referred to this primeval stage of social development as Asiatic or oriental. In the final years of his life, however, we have reason to think Marx no longer believed that India or Asia offered the key to the beginnings of human history.

We shall try to follow the development of the idea of Asiatic society in the context of Marx and Engels' successive efforts to systematize the social history of mankind, which meant for them above all the history of the rise of European capitalism. It is well known that Marx's great contribution in this field is the concept of a succession of modes of production characterized by inner contradictions which lead to their dissolution and replacement by higher social forms. Marx wrote at one time or another of many different modes of production (e.g., Rumanian, Slavonian, tribal, small peasant, communal). The three which he emphasized chiefly were slavery, feudalism, and capitalism. So far as the Asiatic mode of production is concerned, there is no single authoritative book, chapter or article by Marx or Engels on this subject. A collection of all direct and indirect references in Marx's works to the Asiatic mode of production, the oriental commune, the Indian village, the Asiatic or oriental form, etc. does not add up to a clear or consistent picture. Nor should this surprise us. Marx worked on his ideas over several decades, reading widely, taking extensive notes, writing up rough drafts, and clarifying his thoughts in correspondence with Engels and others. He did not hesitate to give up a position he had formerly taken. In fact he was always seeking newer and more satisfactory formulations.

To cull from Marx and Engels' various paragraphs about India and Asia only those pieces which fit together neatly can indeed produce a coherent theory of Asiatic society – but at the price of doing violence to the richness of Marx's own thought. The same is true of any neat

demarcation of world history into a succession of three or four modes of production. As we shall see, Marx and Engels experimented with a number of different historical series, no one of which was ever presented by them as a complete set of boxes into which all human societies could be sorted. We shall proceed by taking up the relevant materials chronologically, in the order in which they appear in Marx's principal works.

THREE FORMS OF PROPERTY

In the *German Ideology*, drafted in 1845-46 (but never published during their lifetimes), Marx and Engels proposed the thesis that the crucial factor dominating the behaviour of men was the way in which they obtained their means of subsistence, their "mode of production".¹ The various phases in the development of human society depended upon the degree of the division of labour. To each stage of increasing division of labour, they wrote, corresponds a different form of property.

They then proceeded to discuss briefly three forms of property associated with different moments in European history: tribal property, the ancient community property of the city-states of Greece and early Rome, and the feudal property of the Middle Ages. In the *German Ideology*, these three are all described as kinds of common or community property as distinguished from private property.

In the tribal stage, the population lives by hunting, fishing, rearing of animals, or, at the highest level of this stage, agriculture. Division of labour is barely more elaborate than within the family. The slavery latent in the family develops gradually with increase in population and as a result of wars. The social structure is an extension of the family with patriarchs as chiefs of the tribes at the top, then family members, and eventually slaves.

In the ancient world slavery provides the basis of the productive

An English translation of the relevant passages from the *German Ideology* is available in the work edited by E.J. Hobsbawm, *Karl Marx: Pre-Capitalist Economic Formations*, London, Lawrence & Wishart, 1964, pp. 121-127. See also the compilation edited by T.B. Bottomore and M. Rubel, *Karl Marx: Selected Writings in Sociology and Social Philosophy*, London, Watts & Co., 1956, re-issued in 1961, pp. 115-119 and *passim*. In an appendix to their work, Bottomore and Rubel give a valuable list of the main writings of Marx and Engels and of the principal English translations.

system. These slaves, according to Marx and Engels, are held jointly as the common property of the community of citizens.

The third form of property is the feudal property characteristic of the Middle Ages. Like tribal and ancient communal property, it is also based on a community, in this case on the association of the armed nobility against a subject producing class, the enserved small peasantry.

The numbered series stops at this point, in the *German Ideology*, and the steps are not labelled modes of production. Two other notions later to be important in Marx's historical thought have already been adumbrated. One is the significance of war as a regular form of intercourse between barbarian peoples and as a source of slaves. Another is the concept of class antagonisms which are indicated for the ancient and feudal forms of property.

CLASS WARFARE

In the *Communist Manifesto* (1848) Marx and Engels set forth once again a series of three historical stages – but not the same three as in the *German Ideology*. In this case, the sequence comprises Ancient Rome, the Middle Ages and modern bourgeois society.² As in the earlier work, the specific cases are presented as types of relationships of production. Marx and Engels' three epochs do not by any means account for the whole time-span from classical antiquity to the 19th century.

The emphasis in the *Manifesto* is, above all, on the perpetual warfare of classes. All previous history has turned upon the antagonism between the oppressors and the oppressed. In ancient Rome there were the struggles of free men and slaves, and of patricians and plebeians. The Middle Ages witnessed the conflicts of feudal lords and serfs, and of guild masters and journeymen. In Marx and Engels' own day, the bourgeois age, society was splitting into two great hostile camps, the capitalists and the proletariat. The bourgeois domination, in their view, was already out-of-date and would be swept into the dustbin of history by the coming revolution. Once in power

²For the *Communist Manifesto* in English see the work edited by D. Ryazanoff: *The Communist Manifesto of Karl Marx and Frederick Engels*. This was originally issued in New York by International Publishers in 1930. I have used the photographic reprint of this version, New York, Russell & Russell, Inc., 1963. See in particular pp. 25-26 and 40-41.

the proletariat, by socialising the means of production, would end exploitation of one class by another, and the antagonistic phase of human society based upon class warfare would come to an end.

The *Manifesto* did not treat – in fact, excluded from human history proper – societies which were not based upon opposed classes and class warfare. No reference is made to tribal or patriarchal societies. Nothing is said about the nature of society in India, China, or other countries of Asia. The center of concern is European, and the starting point is classical Rome.³ It is only fair to note that we are dealing not with a manual of history but rather with a revolutionary document, one that has itself made history.

A clue to the exclusion of India and China from “history” is furnished by Engels in a manuscript entitled “Principles of Communism”, that he wrote in 1847 as part of the preparations for the *Manifesto*. There he refers to India and China as countries which for thousands of years have made no progress. In the same place he refers to semi-barbarian countries which previously had more or less remained outside of the line of historical development. These are now doomed to be taken over by civilization, personified above all by English industry and trade.⁴

There is no evidence that before making these pronouncements, Engels had undertaken any study of India or China. Rather, the likelihood is that he was following in the footsteps of Hegel, the German philosopher whose comprehensive approach he and Marx greatly admired. For Hegel, the dawn of history was in the East, in the age-old Empire of China. But China and India early took on their characteristic features, which remained unchanged for millennia. In Hegel’s own words: “India, like China, is a phenomenon antique as well as modern; one which has remained stationary and fixed. . . .”⁵

³In some lectures which Marx gave in Brussels in 1847 he distinguished three main forms of society each of which represented a definite or particular stage of historic development: *ancient* society, *feudal* society, and *bourgeois* (or *capitalist*) society. Karl Marx, *Wage-Labour and Capital*, New York, International Publishers, 1933, p. 29.

⁴An English translation of Engels’ draft “Principles of Communism” is given in Ryazanoff’s edition of the *Communist Manifesto* as cited above, pp. 319-340. The summary which I have given of Engels’ comments upon the Orient is based upon the original German text as reprinted in the collected works of Marx and Engels, *Gesamtansgabe*, Part One, Vol. 6, Berlin, 1932, pp. 507-508.

⁵G.W.F. Hegel, *Lectures on the Philosophy of History* (first published in 1837; translated into English in 1861 in the Bohn Library, London), p. 145.

True history for Hegel involved change development, dialectic. In his schema the culminating point of all history was 19th century western Europe. Since in the cases of India and China change was excluded, these two countries were still outside the stream of world history.

INDIA'S VILLAGE SYSTEM

The first extended statement of the views of Marx and Engels on India and the Orient appeared in 1853. Writing from London in that year Marx sent to the New York *Daily Tribune* the series of articles on India which we mentioned above.⁶ In numerous letters to and from Engels in Manchester, the two friends exchanged points of view. Hence the newspaper articles may be taken as representing their joint opinion at that time.

The most distinctive characteristic of India, according to the articles of 1853, is its age-old village system. The great mass of the population are dispersed over the surface of the country in tiny agglomerations. Situated on its own tract of arable and waste lands, each village forms a little world unto itself with an independent organization and a distinct life. The dominant feature of the village is the "domestic union of agricultural and manufacturing pursuits". The "peculiar combination of hand-weaving, hand-spinning and hand-tilling agriculture" gives the villages self-sufficiency. The spinning and weaving are done by the wives and daughters.⁷

⁶The articles of Marx on India which he sent to the *Daily Tribune* in 1853 have been reprinted many times and in many languages, either in periodicals, as pamphlets, or as parts of books. They were conveniently reprinted, for example, in 1943 and 1945, by People's Publishing House of Bombay as Karl Marx: *Articles on India*. This collection, like others before it, did not make plain that there were many articles written subsequently on India by Marx and others by Frederick Engels, particularly during the Sepoy Uprising of 1857-58. A good selection of these was reprinted in 1959 by the Foreign Languages Publishing House of Moscow as Karl Marx and Frederick Engels: *The First Indian War of Independence, 1857-1859*. To my knowledge no full collection of these articles has ever been printed in English, the language in which they were originally written. There are, however, reasonably complete editions in Russian, German and Italian. One problem is that not all the articles were signed, and for good reason. The fact is that the *Tribune* sometimes made cuts in Marx's manuscripts and, what is worse, sometimes added material of its own. Marx took objection to this practice and eventually insisted that his name should not be signed to any of the articles he sent.

⁷See Marx's article, "The British Rule in India", published in the New York *Daily Tribune* of June 25, 1853. Of all the articles Marx wrote on India, this is perhaps the

For a description of the way these small isolated villages attended to all of their own requirements Marx quoted at length from an 1812 Parliamentary *Report*, listing the various officials and defining their functions. First comes the *potail* or head inhabitant, who generally supervises village affairs, settles disputes, attends to the police and collects the revenue. Then there are the record-keeper, the watchman, the boundary man, the water-overseer for irrigation, the Brahman who performs the worship, the schoolmaster, and the astrologer who can tell the auspicious days for agriculture.

The original *Report* went on to name the artisans and servants: the smith, carpenter, potter, barber, washerman, musician and poet. "Under this simple form of municipal government", Marx's quotation from the *Report* continues, "the inhabitants of the country have lived from time immemorial".⁸

Since they had preserved this ancient structure, Marx called the Indian villages "stereotyped primitive forms". Another label he applied to them was "family communities", implying that they were held together by ties of consanguinity.⁹ Engels used a similar expression in 1853: "ancient Asiatic family communities". Caste and slavery are mentioned as village features, but only in passing and not much is made of them. There is an isolated reference to differences in rank.¹⁰

In one crucial respect these dispersed, practically self-sufficient villages were peculiarly dependent upon the State, namely, for the water essential to their crops. Because of climate and soil conditions,

one that has been cited and reprinted most often. It should be read in conjunction with Marx's letter to Engels of June 14, 1853, which gives some important data that did not appear in the *Daily Tribune*. This letter has also been frequently reprinted and is widely available as, for example, in Karl Marx and Frederick Engels, *Selected Correspondence*. Moscow, Foreign Languages Publishing, House, no date, pp. 102-104.

⁸House of Commons, *Fifth Report from the Select Committee on the Affairs of the East India Company*, 1812, p. 85.

⁹See Marx's letter to Engels of June 14, 1853, and his *Daily Tribune* article of June 25, 1853, both of which are cited above.

¹⁰The reference to "ancient Asiatic family communities" occurs in an article on Scottish clans drafted in Germany by Marx and translated into English by Engels. This appeared in the New York *Daily Tribune* of February 9, 1853, under the title, "The Duchess of Sutherland and Slavery." Extracts from it have been reprinted in the collection by Bottomore and Rubel, cited above, pp. 120-121. The same article mentions that, in the Scottish clans, "differences of rank, in spite of consanguinity, do prevail as well as in all the ancient Asiatic family communities".

especially in the vast tracts of desert extending eastward from the Sahara through Arabia, Persia, India, and High Tartary. Marx and Engels considered artificial irrigation by canals and other large-scale waterworks indispensable for agriculture in Asia. In most of the orient, they wrote, the proper functioning of waterworks depended upon the centralizing power of the government. Where the government was strong and effective in providing irrigation, agriculture could flourish. When the central government collapsed and irrigation was neglected, whole territories which had been prosperous could quickly become barren and desert. In Asiatic empires, Marx wrote,

we are quite accustomed to see agriculture deteriorating under one government and reviving again under some other government. There the harvests correspond to good or bad governments, as they change in Europe with good or bad seasons.¹¹

Aside from its basic role of providing artificial irrigation for agriculture, the oriental state, in the view of Marx and Engels, was interested only in plunder. Thus Marx wrote in the New York *Daily Tribune* that the structure of government in Asia had consisted from time immemorial in only three departments: "That of Finance, or the plunder of the interior; that of War, or the plunder of the exterior; and finally, the department of Public Works [for irrigation]."¹²

ORIENTAL DESPOTISM

Life in India and Asia in general had for Marx a special character attributable to two complementary circumstances: one was the necessity of a central régime to handle the large public works; the other was the isolated nature of rural life. Marx dismissed the towns as merely military camps, which depended completely on the army and had to follow the king if he took the field for any length of time. As for the villagers, they took no interest whatsoever in affairs of state. It was no concern of theirs that monarchs lived or died, that kingdoms came into being or were destroyed. Each village was concerned only with its own boundaries.

Marx conceded that at first sight there might seem something attractive about India's simple, self-sufficing village communities. He

¹¹New York *Daily Tribune*, June 25, 1853.

¹²New York *Daily Tribune*, June 25, 1853.

also described them as superficially “industrial, patriarchal and inoffensive”. What Marx found most objectionable about these communities was that they were closed in upon themselves and made man subject to nature rather than master of his own destiny. No one, wrote Marx, could invent a more solid foundation for stagnant Asiatic despotism. In a forceful passage he thundered:

...these idyllic village communities...had always been the solid foundation of oriental despotism...they restrained the human mind within the smallest possible compass, making it the unresisting tool of superstition, enslaving it beneath traditional rules, depriving it of all grandeur and historical energies. We must not forget the barbarian egotism which, concentrating on some miserable patch of land, had quietly witnessed the ruin of empires, the perpetration of unspeakable cruelties, the massacre of the population of large towns, with no other consideration bestowed upon them than of natural events, itself the helpless prey of any aggressor who deigned to notice it at all. We must not forget that this undignified, stagnatory and vegetative life, that this passive sort of existence, evoked on the other part, in contradistinction, wild, aimless unbounded forces of destruction, and rendered murder itself a religious rite in Hindustan. We must not forget that these little communities were contaminated by distinctions of caste and by slavery, that they subjected man to external circumstances instead of elevating man the sovereign of circumstances, that they transformed a self-developing social State into never-changing natural destiny...¹³

Because of the static nature of Indian society, and because of the sharp divisions between Mohammedan and Hindu, between tribe and tribe, between caste and caste, India was doomed to be conquered. What is called Indian history, Marx insisted, is more properly the history of the successive invaders who were able to found their empires “on the passive basis of that unresisting and unchanging society”.¹⁴

Marx condemned British rule in India with the same vehemence, asserting in a letter to Engels that it had always been and was still “swinish”. Nonetheless he found positive aspects. British exports of cheap machine-made cloth, yarn and other factory products were destroying one of the foundations of village life, the hand industries. The age-old union of agriculture and domestic industry, the core of India’s unchanging economy and society, had been shattered, thanks

¹³New York *Daily Tribune*, June 25, 1853.

¹⁴See Marx’s article, “The Future Results of British Rule in India”, New York *Daily Tribune*, August 8, 1853.

to British steam and science. By blowing up the economic basis of India's villages, Britain was producing "the greatest, and to speak the truth, the only social revolution ever heard of in Asia".¹⁵

Whereas India's social condition had remained unaltered from remote antiquity to the first decade of the 19th century, the characteristic village organisms were by 1853 "to the greater part dissolved".¹⁶ To Marx the breaking up of these primitive forms was the essential condition for the "Europeanization" of India. He believed that England had a double mission in India: to annihilate the old Asiatic society and to lay the material foundations of a Western society. For the future, the development of railways was bound to bring about the introduction of other industries starting with those necessary for the maintenance and functioning of the railway network. In turn the spread of industry would react upon the social structure. Marx predicted:

Modern industry, resulting from the railway system, will dissolve the hereditary division of labour upon which rest the Indian castes, those decisive impediments of Indian progress and Indian power.¹⁷

RIGHTS IN LAND

The articles and letters of 1853 are particularly interesting for the way they show Marx and Engels grappling with the problem of defining rights in land in India. At one point, after reading the *Voyages* of Francois Bernier, Physician to the Mughal Emperor, Aurangzeb, Marx concluded that the king was the one and only proprietor of all the land. The key to understanding the history of countries like Persia, Turkey and India, he and Engels decided, was the absence of private property in land.¹⁸ The key to the history of Europe, we may recall, was the different position of owning and propertyless classes in relation to the means of production, the successive struggles of these classes providing the dynamism of European development. Without private ownership of land and the resulting class antagonism, Asia

¹⁵New York *Daily Tribune*, June 25, 1853.

¹⁶New York *Daily Tribune*, June 25, 1853.

¹⁷New York *Daily Tribune*, August 8, 1853.

¹⁸Marx's letters to Engels of June 2 and June 14, 1853, and Engels' letter to Marx of June 6, 1853, as reprinted in their *Selected Correspondence*, cited above, pp. 97-

had never started on the road to development. In introducing the zamindari and ryotwari land systems, Marx argued in one of the *Tribune* articles, the British had brought to India two forms of private property in land, "the greatest desideratum of Asiatic society"¹⁹

At other times, Marx was less sure that there had never been private property or at least private possession of land in India. He wrote to Engels that among the English writers on India the question of property was a highly disputed one. In the broken hill country south of the Krishna river,

...property in land does seem to have existed. . . . In any case it seems to have been the Mohammedans who first established the principle of 'no property in land' in Asia as a whole.

In some of the small Indian communities, Marx noted in the same letter, the village lands are cultivated in common. In most cases, however, "each occupant tills its [*sic*] own field". The waste lands were used for common pasture.²⁰

It could be argued that in 1853 Marx and Engels did not spell out the rights in land of the village community as such, because they took these for granted as the basis of society. Questions like these are speculative and, in the absence of fresh evidence, unanswerable. We shall return to the subject of different levels of rights in dealing with Marx's writings of 1857-59. At the moment we may merely note that in 1853 he mentioned both the unique property in land of the king and certain instances in which property was associated with the individual cultivating family.

Before preparing the *Tribune* articles Marx had done a considerable amount of reading on India. He relied primarily on materials in English, above all the voluminous parliamentary papers and reports which were readily available to him in London. Although his descriptions which we have just summarized referred for the most part of the villages and regimes of pre-British India, his actual sources were very largely British. His view of ancient India came through the eyes of the most recent conquerors.

As we have already noted in commenting on Engels' 1847 manuscript, Marx also stood under great obligation to Hegel. In

¹⁹New York *Daily Tribune*, August 8, 1853.

²⁰Marx to Engels, June 14, 1853, as given in their *Selected Correspondence*, cited above, pp. 103-104.

Hegel's *Philosophy of History*, we can find a striking number of the principal points of Marx's 1853 articles: India was stationary and was still outside World History; Indian village arrangements were fixed and immutable; the common Hindu was indifferent to politics and political revolution; India was predestined to be conquered and subjugated; in India the most arbitrary despotism had enjoyed full swing.²¹

In point of fact, Marx's central thesis that the self-sufficient nature of the villages together with the need for large-scale centrally administered waterworks provided a basis for Asiatic despotism does not find much support in what we know today of Indian history. In India strong central governments have been rare and have not lasted long. Before the coming of the British there were only three great empires, the Mauryan, the Gupta and the Mughal. None of these was powerful for more than 150 years.

Agriculture in India has, of course, benefited from irrigation canals, but canal networks have never been the outstanding feature of Indian crop production. Rather, Indian agriculture as a whole has always turned on rainfall and the local wells or ponds of the villages.²²

SOCIETIES PRECEDING CAPITALISM

Up through the 1840's and early 1850's, Marx and Engels, as we have seen, wrote only summarily on historical questions and dealt with India in a non-historical context as an example of stagnant Asiatic despotism. Marx's most extensive treatment of the relation of India and Asiatic society to historical development in general is to be found in a section of his first rough draft of *Capital*. He wrote these pages in 1857 and 1858, but the manuscript became available in print only eighty years later. It was published in Moscow in 1939 under the title,

²¹Hegel, *Philosophy of History*, cited above, pp. 121, 145, 161, 168-69.

²²A number of relevant observations on Indian agriculture and water supply are to be found in the article of Irfan Habib, "An Examination of Wittfogel's Theory of 'Oriental Despotism' ". This appeared in the Delhi periodical, *Enquiry*, No. 6, 1963, pp. 57-73.

For an important discussion of Marx's views on Asia, see the article by George Lichtheim, "Marx and the 'Asiatic Mode of Production' ". This appeared in *St. Anthony's Papers*, No. 14, London, Chatto & Windus, 1963, pp. 86-112. It constitutes a useful corrective to the peculiarly tendentious treatment by K.A. Wittfogel, *Oriental Despotism*, New Haven, Yale University Press, 1963.

Grundrisse der Kritik der politischen Oekonomie (Outline of a Critique of Political Economy).

After composing the *Grundrisse*, Marx rewrote some of the sections and issued them as a small book in 1859 under the title, *Zur Kritik der politischen Oekonomie*. The first English translation of this work appeared in 1904 under the title, *A Contribution to the Critique of Political Economy*.²³ The translation also included as an appendix the "Introduction" which Marx wrote in 1857 as the opening part of the whole *Grundrisse*.

Another important section, primarily historical, of the *Grundrisse* was translated and published in English in 1964 under the title, *Pre-Capitalist Economic Formations*, along with a full and valuable introduction by the editor, E.J. Hobsbawm.²⁴ The 60-odd pages of this new English-language edition contain Marx's most systematic discussion of non-capitalist societies, which he considered pre-capitalist in the sense of their having to dissolve in order that capitalism might come into existence.

In using these 1857-58 materials of Marx, we must bear in mind that of them only the small book entitled *Critique of Political Economy* was issued in his lifetime by Marx himself. The *Grundrisse*, including the section on *Pre-Capitalist Formations*, consisted primarily of condensed notes and memoranda committed to paper for Marx's own clarification. We should take them as guidelines to his thought, rather than finished statements. We may easily do injustice to Marx by trying to make him appear clearer or more consistent than he was at the time he set down these notes on exceedingly tricky questions.

Among the societies which precede capitalism, Marx distinguishes in these writings between primary and secondary forms. Under the rubric "primary" he includes a wide array of tribal and other communities based on agriculture or animal husbandry in which the

²³The English translation of Marx's *Critique of Political Economy* was made by N.I. Stone and issued in Chicago by Charles H. Kerr & Co. in 1904. The translation suffers from a number of imprecisions. In using it I have, therefore, checked and corrected the passages quoted below against the original German text.

²⁴The full reference to the translation edited by Dr. Hobsbawm is *Karl Marx: Pre-Capitalist Economic Formations*, London, Lawrence & Wishart, 1964. I have used this translation extensively below, either quoting directly from it or making summaries based on it. Except for some nuances here and there, I have found the translation quite precise. In citing this work, I have used the abbreviation *Formations* or, depending upon the context, *Pre-Capitalist Formations*.

working individuals are themselves in one way or another the proprietors of the land which they use to produce their own subsistence. Slavery and serfdom, which develop subsequently and chiefly as the result of wars, he designates as "secondary".²⁵

The primary forms are mankind's first settled communities and date back to the time when the spontaneously evolved tribal units gave up their original migratory existence. Their variations from one another reflect the influence of climate, geographical conditions, the natural make-up of the tribe, presence or absence of hostile neighbours, the effects of migrations, etc.²⁶ Without classifying them exhaustively, Marx describes a number of types of these primitive communities, which he separates according to whether property is held in common or individually and how the work of the group is organized.

The four chief forms which Marx specifically names in *Pre-Capitalist Formations* as primary are the Asiatic, the Slavonic, the ancient classical and the Germanic. In each of these the individual is part of a tribal or communal entity. In each, the labourer is an owner and the owner labours.

THE ORIENTAL COMMUNITY

The "original" form of "direct communal property" Marx terms "oriental" or "Asiatic". This form, he tells us, has been modified among the Slavs and developed to the point of contradiction (i.e., to the moment of its transformation into a secondary form) in classical antiquity and among the early medieval Germans.²⁷

Although the Asiatic is the original form, the property relations it involves are very far from simple. Marx's formulation takes account of property at three different levels: the individual family, the community and the despotic ruler. The community, he says, is the real proprietor even though there may be individual possession. Property, he insists, exists *only* as communal property.

The individual as such is only the possessor of a particular part of it, hereditary or not, for any fraction of the property belongs to no member for himself but only as the direct part of the community.²⁸

²⁵ *Formations*, cited in preceding footnote, pp. 88-89, 95, 100 etc.

²⁶ *Formations*, p. 68.

²⁷ *Formations*, p. 97.

²⁸ *Formations*, p. 75.

All Asiatic forms – Marx explicitly envisages a variety – exhibit this fundamental relationship between the individual and the community. In most of them, he goes on, a higher entity which he calls an “all-embracing unity” stands above the small communities. This “unity” may appear as the higher or sole proprietor of the land, while the subject communities appear only as hereditary possessors. In this case the individual appears to be propertyless, or rather property appears to be mediated by a grant from the higher “unity” to the individual through the intermediary of the community to which he belongs. Through this fiction it follows that the surplus product of all the members of the communities belongs to the higher unity, i.e., the despotic ruler.²⁹ In this sense, Marx argues, oriental despotism may *appear* to lead to a legal absence of property. But he says that in fact it is based on a foundation of tribal or common property.

At another point Marx pushes even further the idea of the propertylessness of the members of the Asiatic communes.

Since the individual in this form never becomes an owner but only a possessor, he is at bottom himself the property, the slave of that which embodies the unity of the community.³⁰

This concept of the individual in the oriental commune as the slave of the Asiatic despot Marx calls the “general slavery” of the orient. However this kind of slavery does not modify the direct connection between the producer and the means of production. Marx was careful to distinguish it from the genuine slavery of later Greece and Rome, which, as we have already noted, was “secondary” and represented a new stage of social relations.

An important characteristic of the Asiatic form is the combination of manufacture and agriculture within the small community “which thus becomes entirely self-sustaining and contains within itself all conditions of production and surplus production”. It is this unity of crafts with the tilling of the soil, guaranteeing an independent economy to each village, which makes the Asiatic form particularly resistant to change. Of all primary forms the Asiatic “necessarily survives longest and most stubbornly”.³¹

The organization of the community for purposes of work may differ

²⁹*Formations*, pp. 69-70.

³⁰*Formations*, pp. 91-92.

³¹*Formations*, pp. 70 and 83.

within the framework of the Asiatic form. In one case the villages "vegetate" separately side by side; in each, the individual families labour independently on the land allotted to them by the community. Nonetheless there will have to be a certain amount of work for the common reserve and for the costs of the community as such, e.g., religious observances and war. (At this point Marx jots down a reference to the Slavonic and Rumanian communities, but does not elaborate on them.)³²

In another type of Asiatic society, the small community organizes the work of all of its members. A third variant involves a large-scale system in which the work is determined by the despotic government standing above the small communities. Here Marx gives as his examples Mexico, Peru, the ancient Celts and some tribes in India. Later, however, in the same notebook he remarks that the communal production and ownership in Peru and among the Celts in Wales appears to have been a secondary form introduced by conquering tribes who had been familiar with "the older and simpler form, such as occurs in India and among the Slavs".³³

Variation is also possible in the political nature of the Asiatic commune. The tribe's concept of its own unity may be personified either by a single patriarch for the entire kinship group, or through a council of heads of families. In the former case the commune would be more despotic, in the latter, more democratic.

Irrigation is mentioned briefly as very important for the peoples of Asia. Where large-scale irrigation, road-building, or other public works are undertaken, they will appear to the individuals and communities who actually provide the labour for them as the contribution of the higher unity – the despotic government.³⁴

The large cities of Asia Marx regards as merely princely camps superimposed on the real economic structure. Rather than opposition between town and countryside which provided the mechanism of development in the Middle Ages, he sees in Asia a kind of undifferentiated unity of city and country.

THE ROMANS AND GERMANS

Apart from the Asiatic and Slavonic forms (not clearly set off one

³²*Formations*, p. 70.

³³*Formations*, pp. 70 and 88.

³⁴*Formations*, pp. 70-71.

from another) where land was held in common, Marx presents two quite separate kinds of communities of *individual working proprietors*, typified on the one hand by the early Romans and on the other by the Germanic tribes. Among the Romans (Marx also cites the Greeks and the Jews) community life centres on the city. The cultivated area appears as the territory of the city, not, as in the Asiatic or Slavonic communes, the village as a mere appendage to the land. The members of the community, the citizens, are working owners of the land, small peasant cultivators.³⁵

The prime danger to the organised city-state arises from other peoples, intent on acquiring land. Hence war is the great communal labour. The continuation of a commune made up of free and equal self-sustaining peasants is safeguarded by the surplus labour of its members in the form of military service. To be a member of the community remains the precondition for the appropriation of land, but in his capacity as a member of the community the individual is and remains a private proprietor. Property formally belongs to the Roman citizen, for example, but the private owner of land is such only by virtue of being Roman; conversely any Roman is also a private landowner. Hence when the Romans fight to protect their common land, *ager publicus*, they do so as a community of private proprietors. Unlike the earlier cases of communal property, common land – as state property – is here quite separate from private property.³⁶

Another form of community based on the property of *working individuals* is the *Germanic*. In the Germanic period of the Middle Ages the locus of history is not the city, as in antiquity, but the countryside. Life is organized around individual households each capable of meeting its principal needs. The security of the isolated, independent family settlement is guaranteed by means of its association with other such settlements by men of the same tribe. The community exists only in the mutual relations of individual landowners as such. Communal property like hunting grounds, woodlands, and pastures appears to be an accessory to the individual kin settlements and land holdings. Unlike the case of the Romans or Greeks, the community among the Germans does not exist as a state centred upon a given city. Rather it has real existence only at those times when the members, the free landowning Germans, come

³⁵*Formations*, pp. 72.

³⁶*Formations*, pp. 73-74, 78-79.

together to hold an assembly.³⁷

Summing up the differences with regard to property among the Asiatic, the Roman and the Germanic forms, Marx writes:

...the real existence of the community is determined by the specific form of its ownership of the objective conditions of labour. The property mediated by its existence in a community may appear as *communal property*, which gives the individual only possession and no private property in the soil [the Asiatic form]; or else it may appear in the dual form of state and private property which co-exist side by side, but in such a way as to make the former the precondition of the latter, so that only the citizen is and must be a private proprietor, while on the other hand his property *qua* citizen also has a separate existence [Rome]. Lastly, communal property may appear merely as a supplement to private property which in this case forms the basis; in this case the community has no existence except in the *assembly* of its members and in their association for common purposes [Germanic world].³⁸

In *Pre-Capitalist Economic Formations*, the oriental, the Slavonic and Rumanian, the Mexican and Peruvian, the Roman and Greek, the Germanic are all, it must be repeated, different types of primary forms which tribal communities have assumed under differing conditions. As we have seen, they are characterised by important distinctions with regard to the nature of property in land. Political structure varies from the egalitarian democracy of the Greek and Roman city-state, and the loose union of the Germans to the great empires of the Incas, Aztecs and Moghuls.

Although the Asiatic is said to be the original form, Marx traces no explicit line of development from it to the other primitive community forms. But he does indicate the main passageway from the primary to the secondary forms, which is through war. Capture of prisoners or subjection of conquered tribes provides an enslaved or enserfed labour force, which in turn modifies the original form of the victorious communities. Once slavery or serfdom serves as the foundation of the economic structure, we have left the stage of primary or primitive social formations. Since war is always present in the life of the tribal communities, the passage from tribalism to slavery or serfdom is logical and inevitable; nonetheless the Asiatic form, because of the tight union of manufacture with agriculture, remains long resistant to this type of dissolution.³⁹

³⁷*Formations*, pp. 78-80.

³⁸*Formations*, p. 82.

³⁹*Formations*, pp. 89, 91.

INDIA THE ORIGIN

It is in Marx's manuscript of 1857-58 that the special significance of India for European development is brought out for the first time, in the setting of all human history. In the very last paragraph of the *Grundrisse* Marx notes that common property in land had recently been rediscovered and hailed as a distinct Slavic phenomenon. As against this, Marx observes:

. . . India provides us with an array of the most varied forms of such economic communalism, more or less dissolved, but still fairly recognisable; and more thorough historical research would rediscover it as the starting-point among all civilised peoples. The system of production based on private exchange requires first of all the dissolution of this primitive communism.⁴⁰

The same point is spelled out and made more emphatically in 1859, in the *Critique of Political Economy*:

A ridiculous presumption has latterly got abroad that common property in its primitive form is specifically a Slavonian, or even exclusively Russian form. It is the primitive form that we can prove to have existed amongst Romans, Teutons, and Celts, and even to this day we find numerous examples, ruins though they be, in India. A more exhaustive study of Asiatic, and especially of Indian forms of common property, would show how from the different forms of primitive common property, different forms of its dissolution have been developed. Thus, for instance, the various original types of Roman and Teutonic private property are deducible from different forms of Indian common property.⁴¹

The reason why Marx in the 1850's and 60's took India as his model for the earliest phase of European development is to be sought in the intellectual climate of the years in which he was writing. The relationship, then recently discovered, between Sanskrit and the Indo-Aryan languages led to the theory that India was the ancestral home of all Indo-Aryan speaking peoples including the Greeks and Romans, the Slavs, Germans and Celts. Similarly it was widely held that Indian origins could be found for many aspects of European social history, forms of the family, kinship, the commune, etc. Sir Henry Maine, for

⁴⁰*Grundrisse der Kritik der politischen Oekonomie (Rohentwurf)*, 1857-1858. Berlin, Dietz Verlag, 1953, p. 764.

⁴¹*Critique of Political Economy*, Chicago, Charles H. Kerr & Co., 1904, p. 29 n.

example, wrote in 1861 that institutions long dead in Europe were still very much alive in India.⁴²

Thus among the many kinds of tribalism, community forms, or primitive communism discussed by Marx, the pride of place went to those in India. The ancient Indian villages represented the original, oldest, and simplest forms of the community mode of production.

THE FOUR MODES OF PRODUCTION

For the first time in the *Grundrisse* and the *Critique* Marx presents a four-fold scheme of forms of society, gathering up, as it were, all the cases included in the two earlier overlapping three-fold series. We may recall the tribal, ancient community, and feudal forms of property postulated in the *German Ideology* (1845), and the slave, feudal and bourgeois societies which figured in the *Manifesto* (1848). It is in the "Introduction" to the *Grundrisse* that Marx marshals his four categories, but in an almost casual manner. He is here discussing quite a different subject, to wit, the development of the critical spirit in his own time. Only at this point, writes Marx, can the bourgeois political economy come to understand its predecessors, which he listed in receding order as the "feudal", "ancient", and "oriental" forms of society.⁴³

There is a more explicit version of this historical framework in the famous preface written in 1859 to the *Critique*. Here Marx arrays his four stages in their presumed order of succession and refers to them as "modes of production". To quote:

In broad outline we can designate the Asiatic, the ancient, the feudal, and the modern bourgeois modes of production as so many epochs in the process of economic formation of society.⁴⁴

Interestingly enough, this brief formula is the only direct statement placing the four modes of production in a sequence to be found in Marx's writings. As in the previous series, the four terms here

⁴²The classic work of Sir Henry Maine, *Ancient Law*, was first published in 1861. A convenient edition is that edited by Sir Frederic Pollock (London, John Murray, 1907); see pp. 272-77.

⁴³Marx's "Introduction" to the *Grundrisse*, we will recall, was translated into English in 1904 and published as an appendix to his *Critique of Political Economy*, cited above; see p. 301 for his remark on pre-bourgeois forms of society.

⁴⁴*Critique of Political Economy*, cited above, p. 13.

represent essentially analytic types of relationships among the working producers and the controllers of the means of production. The four "epochs" are also stages through which European history has actually passed. Yet we have no basis for taking them as periods following directly one upon the other. Nor is there a suggestion that the sequence is either universal or inevitable. Marx chalks out in the *Critique* a rough sketch of the path he believes the social history of Europe had followed. He does not go on to provide an exhaustive catalogue of the steps along the way.

In the preface to the *Critique* Marx explains in some detail what he means by mode of production. Broadly, the different modes represent given levels of development of technique or stages in man's progressive control over the forces of nature. Each material level of life carries along with it a set of relations of production into which men necessarily enter and which constitute the basic economic structure or mode of production of their society. This mode, in turn, serves as the foundation on which legal, political, religious and ideological superstructures are erected. The property relations in a particular society merely give legal expression to the existing relations of social production. It is in these terms that Marx characterises the slave, feudal, and above all, bourgeois modes of production.

But he never gives a specific content along these lines to the "oriental" or "Asiatic" mode of production. In the *Grundrisse* and *Critique* the original form of direct common property is labelled "oriental" or "Asiatic" and this form provides the foundation for "oriental despotism". However the "oriental" or "Asiatic" form is only one of Marx's primary forms; he distinguishes it quite sharply from the early Roman and Germanic forms.⁴⁵ It is not clear whether Marx was using "oriental" broadly to cover all tribal, primary and community formations, or whether he intended it to refer exclusively to what he considered the simplest and oldest of these forms, the ancient Indian type. In either case he did not indicate in which areas and over what periods of time the Asiatic mode had predominated. We might say that he left open the question as to whether the Asiatic mode was an entity comparable to the slave, feudal and bourgeois modes with a single characteristic set of economic, legal and political structures, or whether it was more like a residual category of "all other" or "all earlier" societies.

⁴⁵*Formations*, pp. 79 and 97.

We must emphasize this lack of precision, in fact, the absence of any definition of the Asiatic mode of production as such in the *Grundrisse* or the *Critique*, since Marx never subsequently returned to the subject apart from a reference or two in passing.

ANCIENT SOCIETIES IN *CAPITAL*

When he published the first volume of *Capital* in 1867, Marx reiterated strongly the position developed in the *Grundrisse* that the point of departure for European society was to be found in India. Property in common was an Indian form which had served as the basis of society among the very early Greeks and Romans. On this point he cited from the *Critique* his own statement that the original types of Roman and Teutonic private property were deducible from forms of Indian common property.⁴⁶ He added explicitly that in their opening phase the classical communities had been founded on "primitive oriental common property".⁴⁷

Along with common property Marx found, at the threshold of history of all civilised races, labour in common. Cooperation in common production, he wrote, is the rule among all undeveloped peoples in their early history, and the property form which corresponds to this is common property. Hence it was ridiculous to ascribe a Slavic or specifically Russian origin to so widespread a phenomenon.⁴⁸

In *Capital* Marx sets out no formal list of modes of production. Nor does he indicate any necessary order of succession. He does, of course, write of the three main modes, namely, slavery, feudalism and capitalism as having occurred in that order in western Europe. He also refers to various forms of primitive communities of the ancient world in Europe and Asia, including the "old Asiatic" mode of production.⁴⁹ In another context he discusses the mode of production of small-scale independent agriculture, giving as his examples on the one hand

⁴⁶For Volume I of *Capital* I have relied upon the original English translation of 1887 supervised by Frederick Engels, as reprinted under the editorship of Dona Torr by Allen & Unwin in London, 1938. In every case, however, I have verified the translation against the German text. For the reference to Indian common property see *Capital*, Vol. I, p. 49 n.

⁴⁷See note 63, below, for further discussion of this point.

⁴⁸*Capital*, cited above, pp. 49, 59, and 325.

⁴⁹*Capital*, p. 51.

classical antiquity before the development of slavery and on the other the English yeomanry and western European peasantry after the dissolution of feudalism.⁵⁰

Marx does not sharply separate the various old kinds of social organisms of production from each other. Rather he merely remarks that in all of them productive powers are poorly developed, and that society is founded either on the primitive tribal link or upon direct relations of subjection. Marx believed there ought to be no difficulty whatsoever in comprehending these early modes of production. Compared with bourgeois society, he wrote, "those ancient social organisms of production are. . .extremely simple and transparent".⁵¹ The literature of these subjects in the century since *Capital* appeared in 1867, we might remark, would seem to indicate quite to the contrary, that early societies are often extremely complex and hard to penetrate.

In dealing with the various forms of society that had appeared in the course of human evolution, Marx emphasized above all change, development, dialectic. He regarded every social form as in fluid movement. Every existing state of things will in due course inevitably break up. While it is necessary to study the behaviour of a definite form in a given historical moment or period, it is even more important to ascertain the laws of variation and development, of transition from one form to another.⁵²

In his discussions of the various modes of production – whether tribal or community, slave, feudal or capitalist – Marx takes for granted that in course of time, each will be faced with inner contradictions, reach the point of dissolution, and have to give way to its successor. Only the Asiatic societies based on the extremely ancient village communities of India are represented as exceptions to this law of unceasing change.

⁵⁰For Marx's discussion of small-scale or peasant agriculture, see the third volume of *Capital*. This was edited, after Marx's death, by Engels and published in German in 1894. It was translated, somewhat unreliably, into English by Ernest Untermann and issued in Chicago by Charles H. Kerr & Co. in 1909. A treatment of small peasants' property occurs in this third volume at pp. 934-939.

⁵¹*Capital*, Vol. I, as cited above, p. 51.

⁵²See Marx's preface to the second edition of *Capital*, Vol. I, as cited above, pp. xxvii-xxxi.

THE CUT AND DRIED INDIAN VILLAGE SCHEMA

As in his *Tribune* articles of 1853, Marx emphasizes in *Capital* the independent nature of the economy of the village in India and the blending of agriculture with handicrafts. Each village, he writes, forms a compact whole, producing all it requires for its own direct use as well as a surplus which is handed over to the State in the form of rent in kind. This tribute has been paid to the State "from time immemorial". Control over the water supply is mentioned as one of the bases of the power of the State over the small disconnected villages.

Marx is quite clear in *Capital* that these communities were based on "possession in common of the land". The structure of the villages, he writes, varies in different parts of India but "in those of the simplest form the land is tilled in common and the produce divided among the members. At the same time, spinning and weaving are carried on in each family as subsidiary industries".⁵³

Marx stresses in *Capital* the "unalterable" division of labour within the village. Side by side with the mass of the inhabitants occupied in the same pursuits of agriculture, spinning and weaving, each village has a more or less standard set of officials, servants, and artisans. Calling once again the roster from the headman to the poet he explains that these specialists are supported by the village as a whole, and that this arrangement is taken absolutely for granted by the villagers.

This dozen of individuals is maintained at the expense of the whole community. If the population increases, a new community is founded, on the pattern of the old one, on unoccupied land. . . . The law that regulates the division of labour in the community acts with the irresistible authority of a law of nature.⁵⁴

It was in the persistence of such villages with their "cut and dried" pattern of community organisation that Marx found the clue to the stagnation of Asiatic societies despite dramatic changes in the fortunes of Asiatic States:

The simplicity of the organisation for production in these self-sufficing

⁵³*Capital*, cited above, pp. 350-51.

⁵⁴*Capital*, pp. 351-52.

communities that constantly reproduce themselves in the same form and when accidentally destroyed spring up again on the spot and with the same name – this simplicity supplies the key to the secret of the unchangeableness in such striking contrast with the constant dissolution and refounding of Asiatic States, and the never-ceasing changes of dynasty. The structure of the economic elements of society remains untouched by the storm-clouds in the political sky.⁵⁵

Marx refers in *Capital* to villages of this description as “extremely ancient”, but alleges that some of them “have continued down to this day”. He notes that there were various kinds of village communities. However, he focuses attention not on the diversity but rather on what he called the simplest form, in which land was owned and cultivated by the community as a whole.

Marx’s simplest form was not, in fact, at all typical of the actual communities which the British found as they conquered one part of India after another. The descriptions of Indian villages sent home by British military men and administrators in the 18th and 19th centuries provide little evidence for Marx’s picture of landholding by the entire village and even less for tilling in common. Although the village officials and artisans were, as Marx indicated, supported by the village as a whole, land ownership was a different matter, and often a very complicated one.

Whether Marx was right in his claim that communal ownership and cultivation had been characteristic of an earlier period is doubtful. The further back we go in Indian history, the more difficult it becomes to establish any definite facts about the structure or functioning of villages. Nonetheless, the weight of scholarship which has been brought to bear on the subject in the years since Marx wrote on India suggests that Marx’s simple form was perhaps a quite exceptional one.⁵⁶

⁵⁵*Capital*, p. 352.

⁵⁶In his *Agrarian System of Mughal India* (Bombay, Asia Publishing House, 1963), Dr. Irfan Habib writes that in the sources he has consulted he has not found the slightest suggestion that the peasant’s right to the land was ever held in common. He also argues against the concept of a village community that “owned the land on behalf of all its members”. In Dr. Habib’s words: “No evidence exists for communal ownership of land or even a periodic distribution and redistribution of land among peasants.” *Agrarian System of Mughal India*, pp. 119, 123.

In this same issue of *Contributions*, Louis Dumont provides an important discussion of the British accounts of rights in land and of the village community in India. See p. 67 sq.

THE DISCOVERY OF AMERICA

In the 1870's Marx and Engels discovered the writings of the American ethnologist Lewis Henry Morgan. Morgan had made extensive studies of the Indians of North America and had gone on to propose a general scheme of human development from savagery through barbarism to civilisation. In his influential work, *Ancient Society*,⁵⁷ published in 1877, Morgan argued that societies with family and kinship structure similar to that which he had found among the American Indian tribes had preceded the development of civilisation in every part of the world. Morgan emphasized his point by using the terms known from classical Greece and Rome – *phratries* and *gens* – to describe the social organization of the Iroquois.⁵⁸ He analyzed the manner in which tribal societies based on kinship broke down and were transformed into territorial townships of States based upon citizenship and slavery. The development of the State was paralleled by that of the family. The earliest forms of marriage, according to Morgan, had been group or communal in nature. From the old matriarchal family there emerged the large patriarchal household and finally the modern monogamous family.⁵⁹

Marx and Engels were enthusiastic about Morgan's book because Morgan had quite independently arrived at a position very similar to their own about the development of a class society from an earlier stage of primitive communism. Like Marx and Engels, Morgan held that the material conditions of existence were the fundamental factors in historical development, and that the process of change was still going on in the 19th century. Marx and Engels believed that Morgan had cleared up the difficult question as to just how the slave mode of production of ancient Greece and Rome had come into being.

Marx, in fact, was so delighted with Morgan's work that he made extensive notes on it with the idea of popularising Morgan's ideas in Europe. Marx's death in 1883 prevented him from carrying out this

⁵⁷The first edition of Lewis Henry Morgan's *Ancient Society* was published in the United States in 1877. It was subsequently reprinted by Charles H. Kerr & Co. of Chicago. An inexpensive edition of Morgan's classic was issued in Calcutta in 1958 by the Bharati Library (J.C. Saha Roy, publisher). The references that follow are to this Calcutta edition. See also the handsome reprint with a long introduction by Leslie A. White, Harvard University Press, Cambridge, Mass., 1964.

⁵⁸Morgan, *Ancient Society*, cited above, Part Two, Chapters II and III.

⁵⁹*Ancient Society*, Part Two, Chapters x and xii, and Part Three.

project but Engels used these notes as the core of an essay issued in 1884 under the title, *Origin of the Family, Private Property, and the State*. In this book Engels wrote as follows of the family and property in classical antiquity: "...the American is the original form and the Greek and Roman forms are later and derivative. . . ." ⁶⁰

In *Pre-Capitalist Economic Formations*, as we will recall, the original form of direct communal property was labelled Asiatic. At that time (1857-58) Marx and Engels held that this Asiatic form had developed into the characteristic early Roman city-state, which was in turn transformed by the rise of slavery. With the work of Morgan before them, they came to believe that the early phase of Mediterranean history could best be understood in terms of the social organisation of the North American Indian tribes. The secret of archaic history was no longer to be sought in India, or in any other part of the ancient orient; rather it could be found in the western hemisphere among the American Indians. ⁶¹

In a footnote which he added to the English edition of the *Communist Manifesto* in 1888, Engels made clear the overriding importance which he and Marx gave to Morgan's theses. "In 1847", he wrote, referring to the date when the *Manifesto* was originally being drafted,

the primitive history of society, the social organisation that existed before the writing of history had begun, was practically unknown. Subsequently Haxthausen discovered the communal ownership of land in Russia, Maurer proved that such communal ownership was the social foundation for the history of all the Teutonic races, and by degrees it became plain that village communities in which the land was communally owned were the primitive form of society all the way from India to Ireland. At length the internal organisation of this primitive communist society was disclosed, in its typical form, by Morgan's crowning discovery of the true nature of the gens and its relation to the tribe. With the break-up of these primeval communities begins the splitting of society into separate classes, which in due time become antagonistic classes. ⁶²

⁶⁰Frederick Engels, *The Origin of the Family, Private Property, and the State* (in the light of the researches of Lewis H. Morgan). The edition which I have used is the English translation issued in New York by International Publishers in 1942. The passage quoted is to be found in that edition at p. 75.

⁶¹Engels, Introduction to the 1884 edition of *Origin of the Family*. . . , cited above, pp. 5-6.

⁶²Karl Marx and F. Engels, *The Communist Manifesto*, in the edition cited above, pp. 69-70.

We can see clearly that to Engels in the late 1880's India is simply one end of the wide geographic arc in which an earlier stage of research had revealed a primitive form of society characterised by communal ownership. The typical form of primitive communism Engels identified not with Asia, but with the American tribes analysed by Morgan.

Yet another indication of a shift away from the orient as the key to archaic society appeared when the first volume of *Capital* was translated into English in 1887. Whereas the original German text had listed a form of society "founded on primitive *oriental* common property" as preceding petty peasant agriculture and full slavery in the classical world, the English translation, supervised personally by Engels, drops out the word "oriental".⁶³

MARX AND THE RUSSIANS

The fact is that from the late 1860's onward Asia had a lower priority with Marx. This was the period of the consolidation of the British empire in India after the suppression of the uprising of 1857-58. In China as well the Taiping Rebellion had been put down. As revolutionary currents rose in Russia, Marx's interest shifted to that country. He learned the Russian language and studied with particular care the complex materials on the village communities of Russia brought or sent to him from Moscow and St. Petersburg.⁶⁴

During the 1870's and 1880's a veritable stream of Russians, including such luminaries as M.M. Kovalevsky, N.I. Sieber, P.L. Lavrov, N.A. Kablukov, N.F. Danielson, and V.P. Vorontsov, came to call on Marx in London, or entered into correspondence with him.

⁶³For the original German text of *Capital* see, for example, *Das Kapital*, Vol. I (*Volksausgabe* issued in Vienna in 1932 and later reprinted in Moscow), p. 350. n. With this, compare the English translation of *Capital*, cited above, p. 325 n. Dr. Roman Rosdolsky of Detroit, Michigan, first directed my attention to this and a number of other relevant references.

⁶⁴For a compact, perceptive discussion of Marx's treatment of various countries in Europe, Asia, and America see Solomon F. Bloom, *The World of Nations: A Study of the National Implications in the Work of Karl Marx*, New York, Columbia University Press, 1941. At pp. 159-169 Bloom provides a good, brief discussion of Marx's changing view of Russia. Marx's extensive notes on landholding in Russia and related subjects have been translated from German into Russian and published in Moscow in three volumes. See the *Archiv Marksa-Engelsa*, Vols. XI, XII and XIII, Moscow, 1948, 1952 and 1955 respectively. A fourth volume has been announced.

Kovalevsky, destined to become a distinguished social and economic historian, was much influenced by Marx, whom he later credited with shaping the general direction of his scientific work. For his part, Marx was much taken with Kovalevsky's book of 1879, *Communal Landholding: the Causes, Character and Outcome of its Disintegration*.⁶⁵ This volume dealt not with Russia but with village communities elsewhere, particularly in India. Marx read it with great care and took extensive notes, the manuscripts of which have been preserved.⁶⁶

In his resume of Kovalevsky's account of the process of development in ancient and medieval India, Marx distinguished at least five main phases which we may quote in Marx's own words.

Hence the following course:

1. First the tribal community with undivided property in land and agriculture in common.
 2. The tribal community disintegrates, depending upon the number of branches of the tribe, into a greater or smaller number of family communities (in the South Slavonic sense). In the end the indivisibility of landed property and common cultivation of land disappear.
 3. The system of land shares or parcels is fixed by inheritance rights, i.e., the degree of kinship, and is therefore unequal. War, the founding of new settlements, etc., alter the composition of the tribe and thereby the size of the shares. The earlier inequality grows.
 4. Inequality is no longer based on the closeness of kinship to the same tribal chief but on effective possession as expressed in actual cultivation.
- Opposition to this; hence:
5. System of more or less periodical redistribution of communal land, etc. Redistribution first affected on an equitable basis: the house land (and everything that went with it), arable land and pasture. The consequent process turned into private property first the house land (and the field adjacent to the dwelling); later the arable land and pasture as well. From the

⁶⁵The Russian original of Kovalevsky's book was published in Moscow in 1879 under the title: *Obshchinnoye Ziemlevladienie*. The chapters pertaining to India have been translated into English, in an unpublished manuscript version prepared some years ago at the University of Pennsylvania by Leigh Lisker and Surendra J. Patel.

⁶⁶A few extracts – highly interesting ones – from Marx's notes on Kovalevsky's book are given in the article by L.S. Gamayunov and R.A. Ulyanovsky, "The Work of the Russian Sociologist M.M. Kovalevsky...and K. Marx's Criticism", *Proceedings of the XXVth International Congress of Orientalists*, Moscow, 1960. The authors indicate that the full text of Marx's notes on Kovalevsky's book have been translated from German and published in Russian, in the periodical *Sovetskoe Vostokovedeniye*, 1958.

old system of communal property only the following remained as survivals: the community land (in other words, woodland and waste as opposed to the land already turned into private property), and, furthermore, the joint family property; but this family is also being reduced by the historical process more and more to the individual private family in the modern sense.⁶⁷

From the materials currently available to us we cannot tell whether Marx was simply summarising Kovalevsky or simultaneously expressing agreement with him that the Indian village community had undergone a series of transformations. Only a few brief passages of Marx's original notes in German on Kovalevsky have so far been reprinted, and it may be unsound at present to make too much of them. These notes on the phase of early Indian social history take on added importance, however, when read in conjunction with Marx's efforts in 1881 to compose a suitable reply to a letter from Vera Zasulich, a Russian socialist then living in exile in Geneva.

In the drafts for this 1881 letter, which was finally sent in a highly abbreviated form, Marx returned to the subject of the early forms of society.⁶⁸ He emphasized the wide variation they exhibited, calling them "a series of different social types corresponding to progressive epochs". Whereas in the 1850's Marx treated the various primary forms chiefly as different responses to differing sets of circumstances, his 1881 drafts for Zasulich presuppose a historical succession of early social forms. He calls the archaic structures of society "a series of different social groups which differ as to age and type and which represent successive stages of social evolution".⁶⁹ His language here is so broad as to recall to mind the way he described in 1859 the entire fourfold series of modes of production: "successive epochs in the process of the economic formation of society". There is no attempt

⁶⁷Summarised from Marx's notes in German on Kovalevsky, as quoted in Gamayunov and Ulyanovsky, cited above, pp. 4-5.

⁶⁸Hobsbawm, in his edition of *Pre-Capitalist Economic Formations*, pp. 142-145, reprints several of the most important passages from the drafts of the letter to Zasulich. Much more ample extracts, related documents, and an important discussion of the subject are given by P.W. Blackstock and B.F. Hoselitz in the study which they edited (and gave the somewhat melodramatic title): *Karl Marx and Friedrich Engels. The Russian Menace to Europe*, London, George Allen & Unwin, 1953, pp. 218-226, 275-283, and elsewhere. An English version of the very brief letter which Marx actually sent to Zasulich is given by Blackstock and Hoselitz at pp. 278-279.

⁶⁹*Pre-Capitalist Formations*, cited above, pp. 142 and 144; and Blackstock and Hoselitz, as cited above, pp. 223 and 219.

whatsoever in Marx's notes of 1881 to reconcile his new assertion of the developmental nature of the earliest societies with his former position that the original Asiatic commune was obstinately resistant to change. In 1881 Marx simply leaves static Asiatic society out of the picture.

One other point of interest with regard to India may be found in these 1881 drafts. In the 1850's Marx had welcomed the British introduction of "private property" in India, as a necessary precondition for Indian development. In 1881 he condemns the suppression of communal ownership of land as an act of English vandalism. It had brought not an advance, but a setback to the native peoples.⁷⁰

THE PARADOX OF ASIATIC SOCIETY

For all the discussion which the Asiatic mode of production has stimulated in recent years, we have seen that Marx was extremely reticent on this subject. He did write on Asiatic or oriental society, notably in his *Tribune* articles and letters of 1853, and in *Capital*. In his early drafts for *Capital* (the *Grundrisse*) he discussed an Asiatic or oriental social form. It is by no means clear to what extent Marx's descriptions of Asiatic society, the Indian village on which it was based, or the oriental form of common property may be taken as applying to his Asiatic mode of production.⁷¹ The context in which Marx referred to the Asiatic mode of production in the *Grundrisse* and the *Critique of Political Economy* placed it as the first great epoch of social history. Elsewhere in the same manuscripts he distinguished the Asiatic form from other primary social formations which were also characterised by common property. He referred collectively to these formations (including the Asiatic) as original, tribal, primitive, patriarchal, communal. As we have already pointed out, there is no way of knowing whether at the time Marx actually mentioned the Asiatic mode of production, he intended the term to cover all of these

⁷⁰Blackstock and Hoselitz, cited above, p. 219.

⁷¹By attributing to Marx things he did not say, Maurice Godelier makes Marx's thought more definite and structured than it ever was. This is true both of Godelier's full article in French and of the summary version published in English under the title, "The Notion of the 'Asiatic Mode of Production' in Marx and Engels", *Enquiry*, Delhi, Monsoon, 1965. New Series, Vol. II, No. 2 (Old Series No. 11), pp. 28-48. (Cf. *Les Temps Modernes*, Paris, mai 1965. pp. 2001-2027.)

early social groupings or whether he wished to restrict it to the more narrowly defined oriental form. Perhaps, quite simply, Marx had not posed the question in this manner, in which case it would be presumptuous to invent an answer for him.

The whole problem of the exact content of the Asiatic mode of production becomes, in any case, much less crucial once we appreciate the freedom which Marx allowed himself in using the term mode of production. Far from furnishing a series of water-tight compartments into which human history could be sectioned, Marx's modes of production stood for characteristic examples of particular economic and social relationships. For the purposes of his enquiry into the development of European capitalism, Marx selected those societies of the past exhibiting features contrasting most vividly with the capitalist-proletarian relationship of his own time.

Thus Marx pointed to the feudal system of medieval France and England as the clearest example of an economy based on the ties between land-owning nobles and semi-free peasants. He used the slavery of ancient Greece and Rome as the typical case of completely unfree labour. The Germanic tribes of pre-feudal Europe and the citizens of Rome in the years before slavery had become widespread illustrated social groupings of free men who laboured for themselves. While Marx indicated that capitalism had made its appearance in the Low Countries by the 16th century, he took no trouble to specify dates or countries for his other modes. It was not really necessary. All of the examples we have just cited he had taken from the history of the Mediterranean and Western Europe, from periods which were vivid in the mind of a cultured 19th-century man.

Asiatic society had quite a different connotation for Marx. To a considerable extent it represented the great unknown. Marx conceived of it as having existed since time immemorial and in areas very far from those with which he was familiar through his experience or education.

When he started reading about India, Marx was struck by the accounts sent back to England of self-sufficient agricultural villages each with its own panoply of officials and artisans, supported by a share of the total produce. The same villages were described as having existed unchanged for numberless generations. Along with other thinkers of his day, Marx was drawn to the idea that India had been the birthplace of the social institutions of Europe and that in India these institutions had persisted in their original form. Accordingly, he

conceived an ancient Indian setting for the hypothetical village community which formed the logical starting point for his series of social forms.

In this primeval Asiatic commune, Marx assumed, land had been held in common by all the members of the tribal group, who were perhaps directly linked to each other by close kinship ties. Tilling was also organised by the commune as a whole, Marx thought, at least in the very earliest phase. With cloth spun and woven by the womenfolk, tools, utensils and other essential commodities supplied by the local craftsmen, the village was in a position to meet practically all of its needs. Where the descriptions of actual 18th or 19th century villages differed in one or another respect from this ideal type (as, for example, if the land appeared to be held separately by the cultivating households), Marx recognised different forms of evolution from a single original kind of commune.

Marx was also deeply impressed by the glaring contrast in the oriental world between the narrow petty isolated existence of the villages and the splendour European visitors had found in the courts of the Great Moghuls. He took note of the size and scope of the irrigation works achieved in the ancient empires of Egypt and Mesopotamia. The society which was constituted at the base by the primitive communistic villages Marx envisaged as crowned by a despotic ruler. Tribute in kind flowed from the multitude of villages to the court of the despot, whose central bureaucracy supervised the vitally necessary waterworks. Except for their dependence upon the irrigation canals, the villagers took no interest in affairs of state. Their stolid self-centered microcosms gave free reign to the exercise of absolute power by the ruling monarch.

Although in compressed form, the previous paragraph contains virtually everything Marx had to say at any time about the relations between oriental despots and the village communes under their sway. Apart from a few remarks on the nature of Asiatic cities (which Marx characterised as merely military or princely camps) we find nothing more on the emperor's entourage or the bureaucrats. Apparently, although this line of reasoning is highly speculative, Marx did not consider the upper strata in Asiatic society to constitute a class of oppressors, since he never spoke of the Asiatic as a society of antagonistic classes.

For Europe, Marx insisted that class conflict served as the motive force of social history. Asia, in Marx's formulations of the 1850's and

1860's, had never produced a class society and had no social history.

There is an element of paradox in Marx's emphasis (in his writings up through *Capital*) on the primacy of India as the point of departure for European development. On the one hand Marx insists that the ancient Indian form of common property as embodied in joint ownership and joint cultivation of the land by the entire village is the original form from which all others evolved. On the other hand he holds that these characteristic features of the ancient Indian village plus the tight union of agriculture and handicrafts provide the basis for the static, unchanging nature of Asiatic society. The self-same ancient Indian community to which all the subsequent European societies owe their origin provides, by its very nature, the explanation of why these later forms had failed to emerge in Asia.

After the appearance of the first volume of *Capital* in 1867, Marx's health was broken. He wrote relatively little in the last few years of his life and published less. We have pointed out a number of hints from Marx's notes on this final period which suggest that his ideas about the early stages of human society were once again in ferment. On the Asiatic mode of production, in these jottings, there is silence.

19. Problems in the Analysis of Capitalist Agriculture with particular reference to India*

1. Surendra Patel's thesis on agricultural labourers [written at the University of Pennsylvania between 1948 and 1950, and subsequently published as *Agricultural Labourers in Modern India and Pakistan*, Bombay, 1952]; criticism by Chen Han-seng. My own previous acquaintance with Chen: Columbia University, 1938-39, and New Delhi, 1944-46.

Agrarian China [a volume of selections from articles and reports written by Chinese social scientists in the 1930's, edited by Dr. Chen for the Secretariat of the Institute of Pacific Relations; the book was published in Shanghai in 1938, and in Chicago a year later]. Was rural China "capitalist?" Could it be analysed in "capitalist style" categories?

John Lossing Buck thought so. [Buck, then Professor of Agricultural Economics in the University of Nanking, conducted a large-scale study of farms in various parts of China on behalf of the Institute of Pacific Relations over the years 1929-1933. The results are published in his book, *Land Utilization in China*, Nanking, 1937.]

For this point of view see also Ramon Myers, *The Chinese Peasant Economy, 1890-1949*, Cambridge, Harvard University Press, 1970, and my review [very critical] in the *Economic Journal*, 1972.

Chen Han-seng: "Agrarian Regions of India and Pakistan," manuscript written at the University of Pennsylvania, 1948-1950, based primarily on materials relating to the 1920's and 1930's. Dr. Chen went through the 10,000 pages of evidence gathered by the Royal Commission on Agriculture in India [London: H.M.S.O., 1927]. I brought one copy of the original manuscript with me to India in 1952. Chen argued that, like China under Chiang Kai-shek, Indian

*Rough notes for a talk delivered at the Delhi School of Economics on November 22, 1973. Explanatory material in square brackets has been added by Alice Thorner.

rural economy was not yet capitalist.

In India, 1952-1955, I found genuine capitalism to be very rare in the countryside; only pockets here and there. See my *Agrarian Prospect in India* [five lectures delivered in 1955 at the Delhi School of Economics, first published in 1956, second edition with a new Introduction which Daniel completed shortly before giving this talk, Delhi: Allied Publishers, 1976].

2. Professor Gadgil and the *Rural Credit Survey* [Bombay: Reserve Bank of India, 1954-1957]. Analysis of the central assumption: the peasant is a little entrepreneur, a little businessman. See my review [*The Economic Weekly*, Special Number, Bombay, June 1960, Vol. XII, pp. 949-963. Also reprinted in *Land and Labour in India*, Bombay: Asia, 1962] and my unpublished article, "Relevance of the theory of the Firm or of Entrepreneurial Economics to Production by Peasant Households" [Chapter 14 in this volume].

Criticisms which I received on this draft article:

- (a) Simon Kuznets – All too vague, and too much centred on notions derived from situation of the peasantry in Tsarist Russia.
- (b) Joan Robinson – One should apply the theory of international trade to analyse the terms of exchange between the peasant household and the other economic sectors.
- (c) K.S. Krishnaswamy – What would be relevant is the economics of the household: maximisation of satisfaction rather than maximisation of profit.
- (d) Bert F. Hoselitz – Unfair presentation, especially of W.A. Lewis.
- (e) Matthew Edel – Need for utility function; criticism of W.A. Lewis particularly apt.

3. Search for Chayanov: my Paris colleagues finally found a copy of his major work in Schlömer's attic in Bielefeld in the Rhineland. [Schlömer had translated into German an earlier version.] Chayanov for the first time really spells out the utility function and insists on a *non-capitalist* approach to peasant economy. We were able to issue a translation into English at the end of 1966 [see Chapter 16 of this volume]. The major part of this book deals with the "micro-economics" of peasant households.

4. At the level of economic systems or "macro-economics," Chayanov insists on four major historical systems: slavery,

capitalism, communism, and family economy or family household economy. This last category includes not only agriculture but also domestic artisanal production (important during the long, severe Russian winter). The feudal system, according to Chayanov, encompassed two separate subdivisions, which existed in a symbiotic relationship with one another:

Part A

The economy of the lord of the land, the seigneur, the head of the manor or the estate. At least in part, and perhaps even in large part in some periods, this sector was commodity-oriented, that is oriented toward finding markets in which to sell the surplus extracted from the peasants

Part B

The peasant family household sector, oriented primarily toward meeting the natural needs or fulfilling the subsistence requirements of the peasant family (i.e., having enough left over to live on after giving the lord his so-called "due").

Those who have not understood this symbiosis or, if you will, this co-existence, may easily go astray in their analyses or attempts at conceptualisation. In this connection, it might be worth taking a fresh look at what was in its time as distinguished and comprehensive Russian study, M.M. Kovalevsky, *The Social and Economic History of Europe* (from early times until the beginning of the capitalist economic form). This appeared first in Russian in seven volumes before the first world war. It was translated into German, also in seven volumes. But in both versions it has long been out of print, and has fallen into obscurity.

In concluding this reference to Chayanov, we must render homage to his sustained effort to work at several levels of analysis, to try to distinguish them from each other, and to see, in particular, in the all-too-complicated case of feudalism, the inter-relations of the sub-sectors.

5. As far back as 1962, at the Aix-en-Provence sessions of the International Conference of Economic History, I tried my hand at analysing peasant economy as a category in economic history at the state, nation, country, or empire level. [See Chapter 15 of this volume.] I thought such an effort might perhaps help to reduce a bit the amount of largely sterile debate about feudal, proto-feudal, semi-feudal or pseudo-feudal economic formations.

6. After endeavouring for some years (by publishing articles both in English and in French) to draw attention to the works of Chayanov, and particularly to his emphasis on, and studies of, “non-capitalistic” economic systems, I am more than ever convinced that “non-capitalistic” is, from several points of view, a more valid, more fruitful, and less teleological category than the more commonly used term: “pre-capitalistic.”

7. You may well understand the impact upon me (to use a French expression, my *bouleversement*) when I returned to India at Christmas 1964, after an absence of more than four years, and was struck, while travelling through various parts of the country in 1965, then again in 1966 and 1967 [at the kind invitation of Professor Mahalanobis] by evidences of

(a) substantial investment in agricultural production by well-off, in fact rich, farmers; and also by

(b) gentlemen farmers, that is, urban-based capitalist farmers, going in for heavy productive investment in agriculture, though often using for this purpose community project funds, cooperative credit, state-supplied capital, or private bank financing.

When I drew attention to this upsurge of capitalist production in agriculture [see Chapters 9 and 10 of this volume], my articles led to an uproar which is by no means all over. Back in 1968 and 1969 I was practically charged with having invented a nation-wide class of capitalist farmers in India. In 1972 and 1973, articles are still appearing in which it is taken for granted that India’s agriculture is “semi-feudal,” and in such articles the word “capitalist” may not even appear. By the way, if you really want to see a non-capitalist agriculture, I suggest you pay a visit to Bangladesh today.

8. Now I have the feeling that another uproar is coming, this time in connection with the manuscript outline before you of my article, “The Principal Modes of Production of Karl Marx.” [This article was published in Ashok Mitra, Editor, *Economic Theory and Planning*, Calcutta, Oxford, 1974. Apparently Daniel distributed to his audience a copy of this essay which he had originally written in French for a conference organized by the Ecole Pratique des Hautes Etudes the previous spring. Before coming to Delhi he had just finished the English version in Calcutta at Ashok Mitra’s insistence.] You will see that I raise the question of what remains of value in Marx’s *entire*

series of modes of production, when we take a fresh look at them a full hundred years and more after the appearance in 1867 of Volume I of Marx's *Capital*, the only volume to be published in his lifetime.

In the light of this I think my friends Amit Bhaduri and Ashwani Saith will yet have to reconsider their use of the term "semi-feudal" for agriculture in West Bengal or elsewhere in India in the 1970's.

9. I also believe that from the double-page table in the manuscript before you, it is quite possible that "capitalism" is such an over-loaded term that it may have to be broken up into four or six or even eight sub-categories; possibly into several modes of production.

As I have indicated elsewhere in print, the concept of "peasant economy" will probably also have to be broken up into numerous sub-categories.

10. I should perhaps say explicitly that I am for retaining the underlying concept of "mode of production." Not having done the heavy spade work that would seem to be required, I would not want to try to say anything about the degree of correspondence or the manifold kinds, aspects or incidence of lagged correspondence between the "material basis" and the so-called "superstructure." In any event, that is not our subject today.

11. I am for solid, fresh, creative analytical work tied tightly to solid field work in villages by the analysts themselves. I also think it is crucial to raise the level of the actual field investigators, so that these investigators will have a much clearer idea of the nature and importance of the subjects on which they are collecting data.

12. I believe that the basic work of reassessment will have to be carried out here in India and in countries like India, by people like you; this was already the conclusion of my "Relevance" article of 1957-58, and I continue to hold to it today. The reassessment that is required cannot be done properly by people based far away and not intimately familiar at first hand with village realities in countries of what the French like to call the third world. Going further, I must confess that I become more and more wary of all-India generalisations. Only after we come to know better the major regional variations can we hope to build up a more satisfactory all-India picture.

20. Eco-Comics by S L F D Nyle*

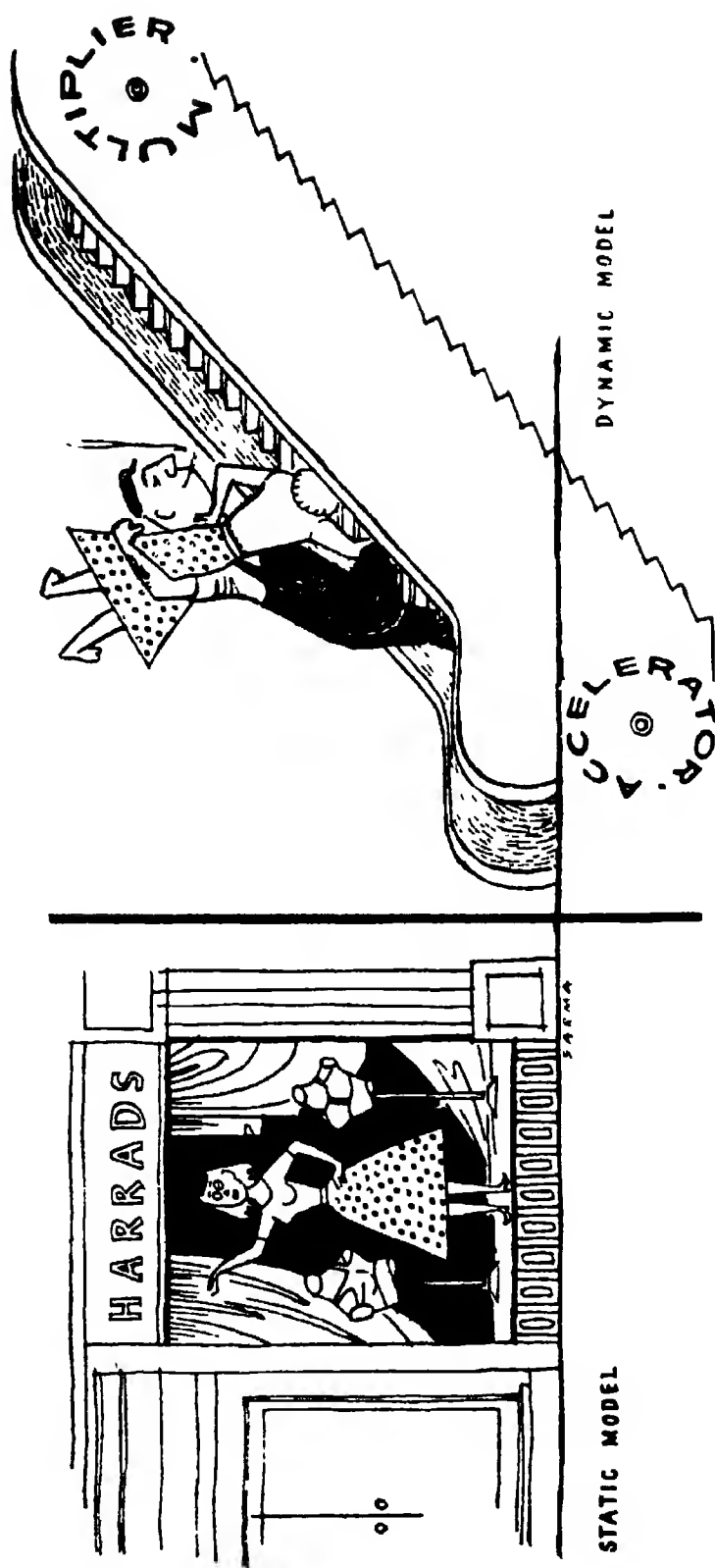


LONG-TERM PROJECTION

*These cartoons drawn by the late P.N. Sarma on the basis of ideas furnished by Daniel Thorner appeared in *The Economic Weekly* on various dates between January and June, 1958



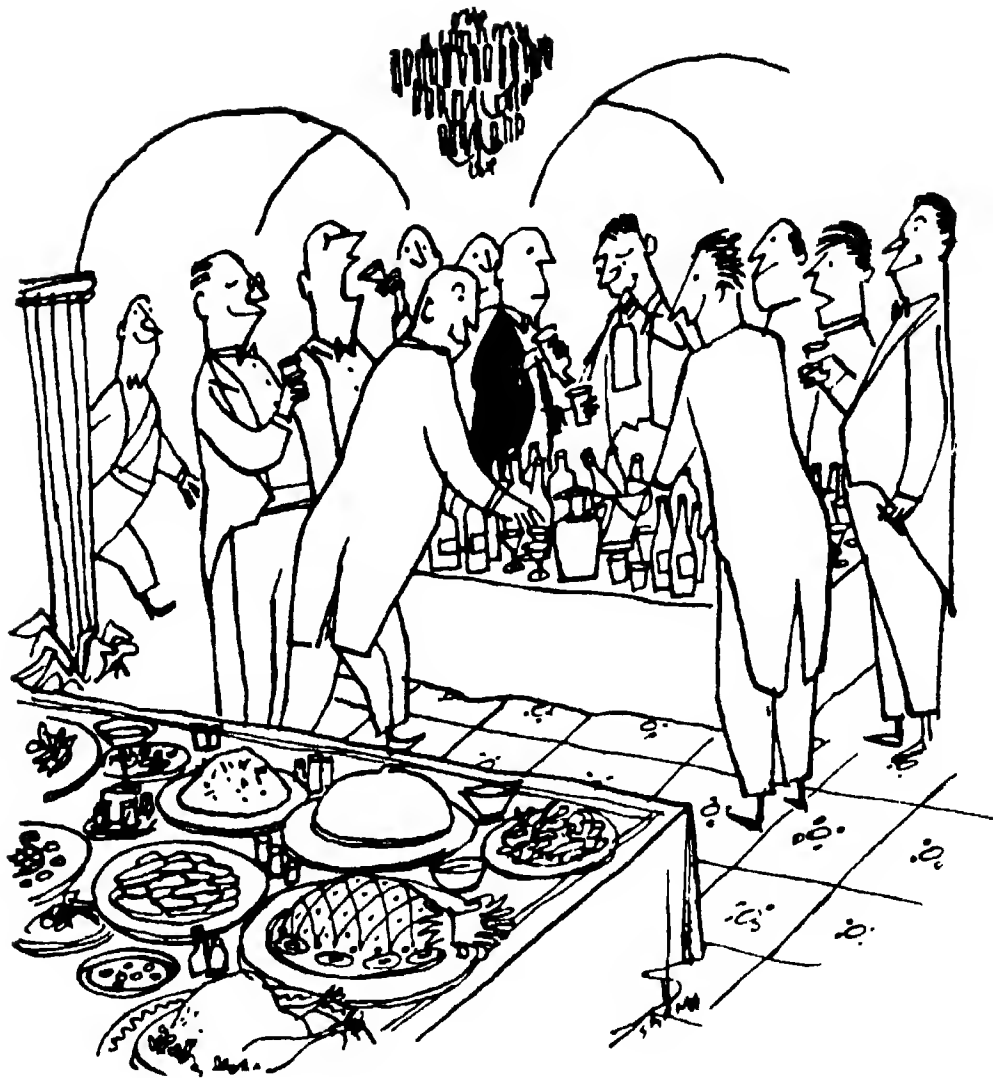
THE DYNAMIC ENTREPRENEUR



STATIC AND DYNAMIC MODELS



THE FELICIFIC CALCULUS



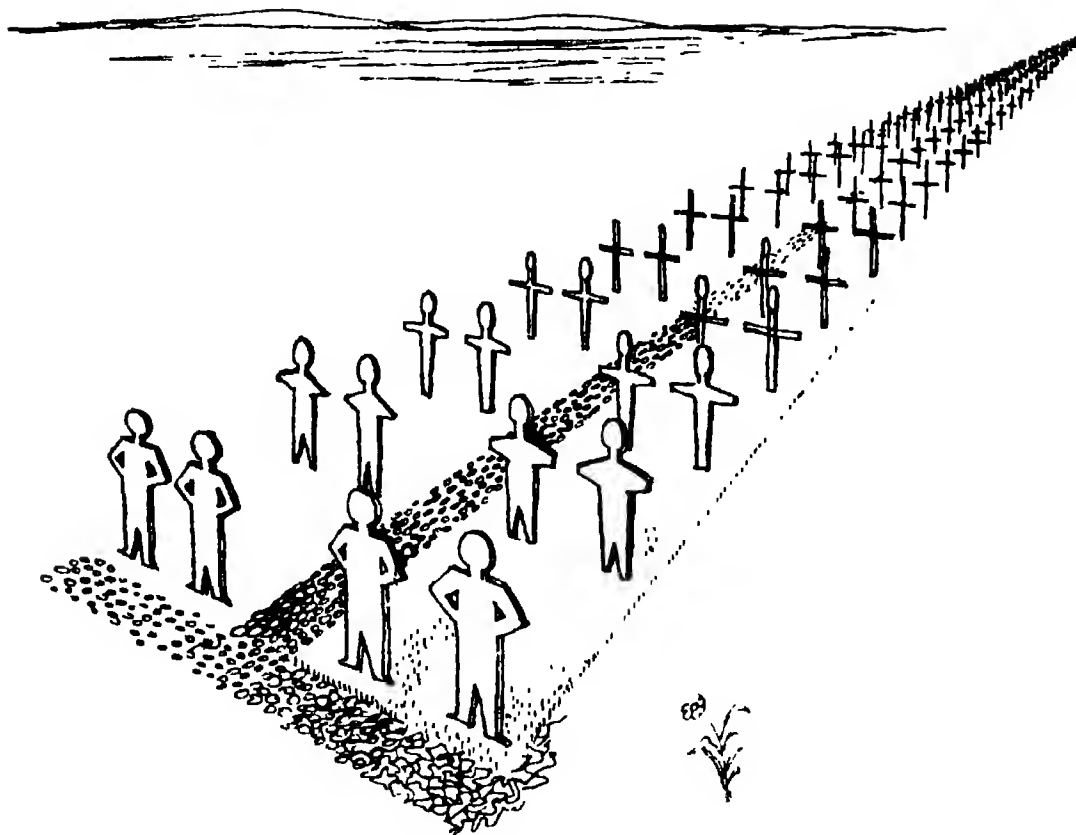
Liquidity Preference



Secular Trend



Propensity to Spend



In the Long Run...

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